

80 01233

LSCA-0169

Housing Element

an Element of the General Plan
City of Los Angeles

INSTITUTE OF GOVERNMENTAL
STUDIES LIBRARY

JUN 23 1980

UNIVERSITY OF CALIFORNIA

Handwritten signature

80 01233

INSTITUTE OF GOVERNMENTAL
STUDIES LIBRARY
JAN 7 5 2025
UNIVERSITY OF CALIFORNIA

HOUSING PLAN

AN ELEMENT OF THE GENERAL PLAN
CITY OF LOS ANGELES

OCTOBER 31, 1979

City Plan Case No. 22842
Council File No. 73-1305

City of Los Angeles
Department of City Planning
Citywide Planning and
Development Division
Citywide Elements Section

80 01233

INSTITUTE OF GOVERNMENTAL
STUDIES LIBRARY

JAN 17 2025

UNIVERSITY OF CALIFORNIA

HOUSING ELEMENT

TABLE OF CONTENTS

	<u>Page</u>
<u>EXECUTIVE SUMMARY</u>	
I. INTRODUCTION	1
A. State Guidelines and Legislation	1
B. Background of the Housing Element	2
II. THE HOUSING PROBLEM	3
A. Regional Housing	3
1. Market Area	3
2. Regional Allocation Model	4
B. City of Los Angeles Housing	5
1. Housing Stock History	5
2. Current Housing Data	8
a. Housing Stock —	8
1) Citywide Building Patterns	8
2) Council District Construction Activity, 1965-1976	13
b. Characteristics of the Population	17
1) Total	17
2) Socioeconomic Characteristics	17
c. Current Housing Problems	18
1) Condition of Housing Stock	18
2) Cost of Shelter	18
3) Overcrowding	26
4) Special Needs	32
3. Projected Housing Need, 1977-2000	32
a. Population Growth	32
b. Forecasted Household Formation	35
c. Projected Housing Need	36
d. Growth of Employment Opportunities	41
e. Housing Site Planning	41

	<u>Page</u>
C. Constraints	42
1. Market Constraints	42
a. Production Problems	42
1) Land for Future Housing	45
2) Financing	45
3) Construction Technology	46
4) Materials and Labor	46
b. Availability	48
2. Constraints Imposed by Government	48
a. Development Regulation	48
1) EIR and Other Environmental Considerations	48
2) Zoning and Other Land Use Controls	48
3) Fees	49
4) Permits	49
5) Dedications and Improvements	49
6) Building Codes	49
b. Condominium Conversion	49
c. Rent Control	50
d. Seismic Safety	51
III. CITY ACTIONS TO PRESERVE HOUSING AND AFFORDABILITY	52
A. Community Redevelopment Agency (CRA)	52
1. New Housing Construction	52
2. Residential Rehabilitation	54
B. City Housing Authority (CHA)	55
C. Building and Safety Code Enforcement	56
D. Community Development Department (CDD)	57
1. Housing Division	57
2. Community Analysis and Planning Division (CAP)	58
E. Current Housing Program Summary	58
1. Federal Housing Programs	58
2. State Housing Programs	65
3. Los Angeles City Housing Programs	66
F. City Planning Department	77
IV. HOUSING NEEDS AND RECOMMENDATIONS	78
A. Obstacles To Meeting Housing Needs	79
B. Objectives, Policies, Programs, and Implementation Strategies	80

1. Objective #1 - To encourage the provision of adequate housing in the City, with a particular emphasis on rental units, especially for those of low and moderate income and households having special needs.	80
2. Objective #2-To encourage design in housing that will minimize adverse environmental effects, enhance public safety, encourage energy conservation, and the use of alternative energy sources, including solar power, and optimize accessibility for the handicapped and the elderly.	86
3. Objective #3 - To promote equal opportunity for all persons regardless of race, ethnic background, religion, handicap, income, age, sex, and family composition, to purchase, rent, rehabilitate, or build housing throughout the City.	88
4. Objective #4 - To encourage housing assistance and services for persons displaced as a result of City actions.	90
5. Objective #5 - To improve and conserve existing residential neighborhoods.	91
6. Objective #6 - To assure the development of new housing units to meet the City's housing needs, consistent with good planning practice.	97
7. Objective #7 - To make provision for the availability of access to all public facilities and services in all neighborhoods throughout the City.	103
8. Objective #8 - To provide the opportunity for maximum feasible involvement of residents and organizations in housing programs of direct interest to them.	105
C. Cost Matrix	107
D. Program Priority Matrix	113
V. ADMINISTRATIVE ACTIONS	117
A. Public Participation	117
B. Intergovernmental Coordination	118
C. Consistency of the Housing Element with the General Plan	119
D. Environmental Review	127
E. Resolution of Adoption	127
F. Provision for Update	127
G. Integration and City Planning	129
Glossary	132

Table of Contents (cont'd)

Page

Appendix

A.	Methodology	A-1
B.	Roles of City Agencies	B-1
C.	Population Projections with Undocumented Aliens and an Assessment of Future Housing Needs	C-1
D.	Report of the Mayor's Ad Hoc Committee on Housing Production	D-1
E.	Fifth year HCD Block Grant Data	E-1
1.	Survey of Housing Conditions, 1978	
2.	One-Year Housing Assistance Goals	
3.	Three-year Housing Assistance Goals	
4.	Housing Assistance Provided as of December 1978	
5.	Block Grant Housing Programs	

1. Estimated Housing Inventory by Geographic Area	9
2. Net Unit Change, Residential Permits, Construction, Demolition, and Relocation, 1970-1978	11
3. New Residential Construction by Council District, 1965-1968 and 1970-1976	15
4. Estimated Ethnicity by Planning Area, 1977	19
5. Median Family Income by Planning Area, 1969-76	20
6. Count of Households by Income and Ethnicity by Geographic Area	21
7. Household Income by Geographic Area, 1977	22
8. Projected Housing Need	23
9. Comparison of Rents, 1970 to 1977	24
10. Income Distribution of Renter Households	25
11. Tenure and Related Characteristics of Housing by Geographic Area, 1977	27
12. Annual Average Sale Price of Single-Family Units by Geographic Area	28
13. Inadequately Sheltered Households by Geographic Area, 1977	30
14. Households Needing Assistance, 1977	31
15. Population Forecast Statistics	33
16. Population and Housing, 1970-2000	34
17. Census Household Size, 1940-1970	36
18. Population Projection and Assessment of Future Housing Needs	37
19. Employment Projections	38
20. Community Plans Population and Capacities, General Plan and Zoning Code Consistency Program, March 1979	39
21. Vacant Land Report, Privately Owned Land	47
22. New Housing Construction, Community Redevelopment Agency, January 1, 1979	53
23. New Housing Units Completed or Under Construction for Residents with Low or Moderate Incomes, January 1, 1979	54
24. Status of Residential Rehabilitation, January 1, 1979	55
25. Units under City Housing Authority Management, December 31, 1978	56

TABLES

Page

26. Code Enforcement Program, Total Dwelling Units	57
27. Handyman Program Sites, 5th HCDBG Program Year, 1979-80	72
28. Housing Production Goals	78
29. Program Cost Matrix	108
30. Program Priority Matrix	114
31. Residential Density Standards	134
32. Population Undercount, 1970	A-2
33. Roles of City Agencies in Housing and Community Development	B-5
34. City of Los Angeles, Population Projections (with Undocumented Aliens) and An Assessment of Future Housing Needs	C-2

EXHIBITS

1. Survey of Housing Conditions, 1978	E-2
2. One-Year Housing Assistance Goals	E-3
3. Three-Year Housing Assistance Goals	E-4
4. Housing Provided as of December 1978	E-6
5. Block Grant Housing Programs, Detailed Unit Allocations	E-7

FIGURES

1. 35 Planning Areas within Major Geographic Areas, December 1976	6
2. Council Districts, 1978	7
3. Net Unit Change by Council District, 1965-1968 and 1970-1976	16
4. Comparison of Family Income and Affordable Housing	29
5. Fifth Year HCD Programs, 1979-1980	76

EXECUTIVE SUMMARY

Chapter I

This chapter discusses the state guidelines for a housing element and the basic role of government in attempting to address housing needs. The City is constrained in commitments to definite programs on various housing issues because of limits on municipal resources and staff.

Chapter II

The City's overall housing need as part of the regional housing problem is discussed. Current and future population and housing unit needs are identified. A current breakdown of the City's housing stock is described in terms of these categories: sound, needing rehabilitation, substandard, and needing demolition. Families/individuals needing housing assistance are divided into the following categories: household composition (elderly/handicapped, large family, and family households); tenancy (owners renters); and racial and ethnic distribution in the various categories of housing. Private sector and governmental obstacles to meeting housing needs are also summarized.

Chapter III

Both current and future housing programs are summarized according to responsible City implementing agencies. This summary includes; dollar commitments for implementation, the number of units to be assisted, and a generalized schedule for action.

Chapter IV

Approximately 50 programs are proposed for continuation, expansion, or as new City actions. Among newly recommended programs are those which address: child discrimination, affordable housing production incentives, new housing production, energy conservation, handicapped housing design features, simplification of code requirements, improved mobile home standards, historic preservation, new local housing bonds, pre-occupancy inspection, modified subdivision requirements for streets, and speculation control efforts. The chapter contains a method to establish priorities among various housing programs by addressing program feasibility and the effects of programs on the cost and supply of housing. A housing goals summary for one and three years is also included. A funding source matrix indicates potentially available money to implement various programs.

Chapter V

The process for including the general public in developing the housing element is presented. A monitoring system is outlined which will enable a specific record of City housing actions to be maintained.

Glossary and Appendix

Key housing terms are defined. Reference is made to the census undercount and to undocumented aliens.

I. INTRODUCTION

The principal purpose of the City's Housing Plan is to encourage the production of needed housing. A significant increase in the supply of decent housing should be of concern to virtually all inhabitants of the City. Whenever a proportion of the populace is unsuitably housed, it tends to generate and aggravate social problems. In addition, many residents are economically dependent on housing for employment and income. While each sector of the economy and each socio-economic group may have a specific housing concern, the City of Los Angeles must consider the complete range of issues associated with housing as part of its General Plan responsibilities.

The role of local government in addressing housing problems must be flexibly based on the resources available and yet focused in order to derive the maximum benefit. The role of local government also varies according to the type of housing in question. New housing construction requires local government to be an indirect facilitator of development by the private market, which acts in a lead capacity. Rehabilitation of housing requires local government to be more directly active, with lead responsibilities for bringing municipal resources, needy citizens, and the private market together. The latter role, which emphasizes the role of local government, has become of paramount importance because of the relatively small volume of new housing being built and the increasing age of the existing housing stock. Increased local government attention will be necessary in order to respond to the growing challenge of conserving this valuable resource.

The ability of the City to carry out programs to improve housing will continue to be directly dependent on the private sector, available Federal and State grants and local funds. The availability of City funds and staff as well as overall City priorities will obviously determine the ultimate implementation date of each program. Due to the impact that the limitation on new taxes and other future tax reform proposals may have on continuing City expenditures, it must be clearly understood that the continued operation or initiation of any new program is dependent upon available City staff and resources. No program in the Plan is intended to commit the City to expend unavailable resources. The actual implementation dates of each program remain flexible because of the continuing uncertainty of the City's fiscal condition. In addition to contingency upon City resources, implementation of all programs is subject to a current trade-off analysis that considers social, economic, and environmental impacts.

A. State Guidelines and Legislation

Guidelines for City action for a housing element have been established by the California Department of Housing and Community Development. Under Government Code 65302(c), it is mandatory for each city and county general plan to include a housing element developed pursuant to regulations established under Section 41134 of the Health and Safety Code, consisting of, "Standards and plans for the improvement of housing and for provision of adequate sites for housing" and that "this element of the plan shall make adequate provision for the housing needs of all economic segments of the community".

In addition to fulfilling State general plan requirements, the completion of this Housing Element will also enable the City of Los Angeles to qualify for future State housing assistance funds. California Housing Finance Agency funding is dependent on adoption of the State-mandated housing element. The City's revised Housing Element, which adheres to the State guidelines, also will allow new subdivisions to continue to be approved because of their consistency with the General Plan as required in the California Subdivision Map Act.

B. Background of the Housing Element

In recent years, the City has established numerous housing policies in the 50-year Concept of the General Plan, the 20-year Citywide Plan, and the various Community and District Plans, which are elements of the General Plan.

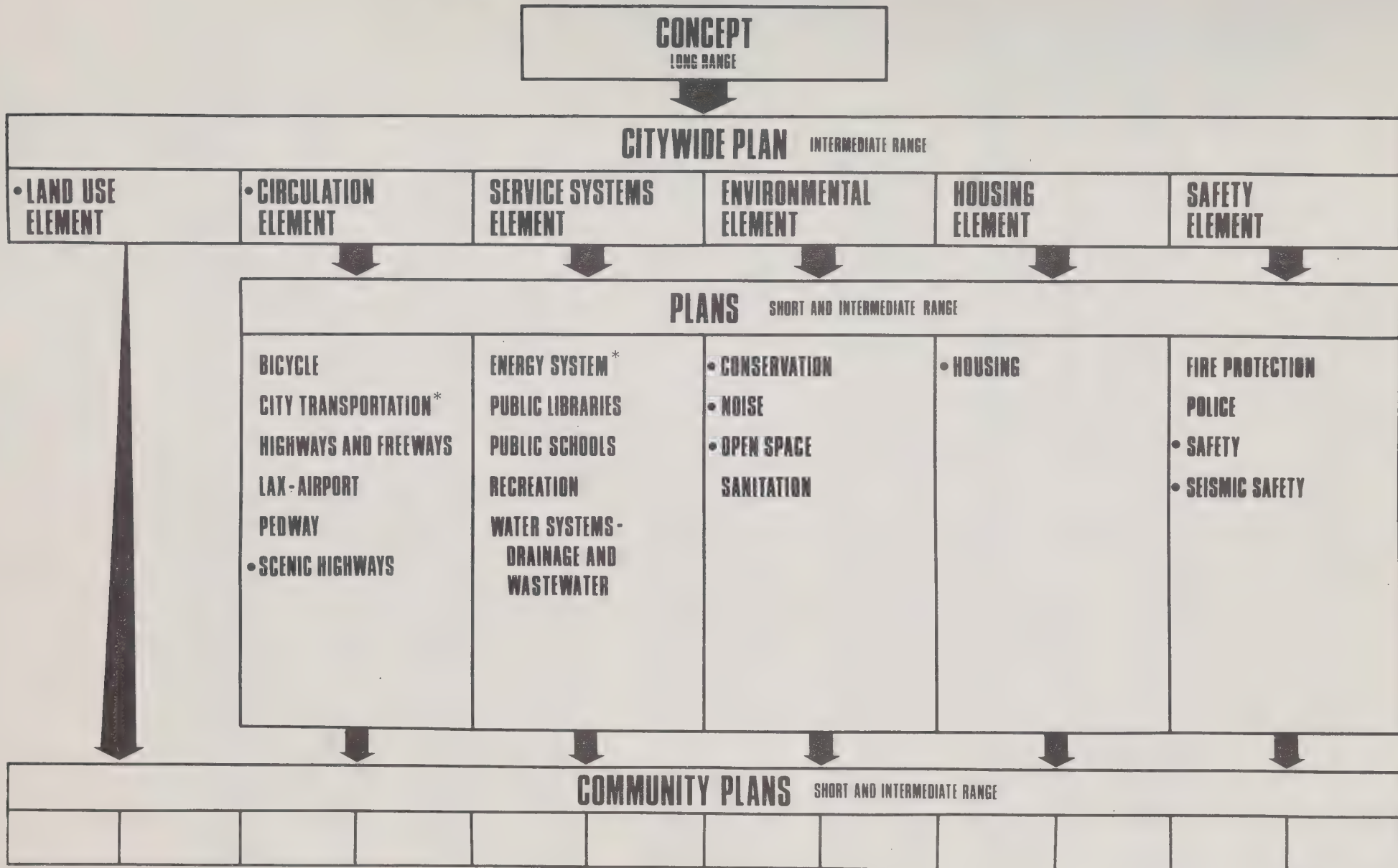
Work on a Housing Element of the City's General Plan was begun in 1969. A Housing Background Report was prepared in 1971, and several editions of a preliminary Housing Element were released in 1973 and 1974. These early housing studies were broadened and strengthened to conform with the State Guidelines, which were adopted by the Council on Intergovernmental Relations in September, 1973. The resulting City Housing Plan Element was adopted in 1976.

This Housing Element contains revised and updated goals and policies. A format was adopted to satisfy State requirements. Additionally, this revised Housing Plan:

1. Provides a Citywide profile of demographic and housing conditions.
2. Analyzes current and future housing issues and obstacles.
3. Provided systematic programs, strategies, and implementation techniques based on identified conditions.

The Housing Element identifies four major goals to work towards: 1) providing adequate housing for all socioeconomic groups in the City, 2) improving the existing housing stock, 3) maximizing the accessibility of future housing, and 4) improving coordination of housing information and services. These basic goals form the basis for more specific objectives, policies, and programs found in a later chapter of the Plan.

GENERAL PLAN CITY OF LOS ANGELES



II. THE HOUSING PROBLEM

A. Regional Housing

1. Market Area

The Los Angeles housing market is the extensive, nearly continuously urbanized area of Los Angeles, Orange, Riverside, San Bernardino and Ventura Counties. The population of this large area has grown rapidly in recent years, particularly on the periphery and now numbers approximately 11 million.

Migration within the Los Angeles housing market area can be described as follows:

- a. Residents are not restricted by political boundaries in seeking housing. Factors of cost, neighborhood facilities, accessibility, environmental amenities, and social conditions play the major roles in housing choice.
- b. The racial and ethnic heterogeneity of the area will continue to increase. The City of Los Angeles will remain as one of the world's major centers of foreign immigration, particularly from Asia and Latin America. The periphery of the housing market area will continue to receive immigrants primarily from among residents already established in the area.
- c. The relative abundance of affordable, single-family detached new houses will continue to be a major inducement to migration to the periphery of the housing market area. Lower land costs occasioned by relatively abundant unbuilt land and distance from major sources of employment will permit this type of new construction to continue, despite problems of increasing housing and commuting costs and diminishing environmental amenities.
- d. The relatively high cost of housing in many parts of Orange, Ventura, and Los Angeles Counties will tend to make those areas relatively less attractive to potential out-migration induced by housing costs, than areas on the eastern periphery of the Los Angeles housing market.
- e. Other factors also influence local migration, including school integration, development of retirement communities, and dispersal of employment opportunities. These factors will continue to reinforce the out-migration from the center to the periphery of the housing market area.
- f. Migration within the City of Los Angeles will continue to be dominated by movement northward and westward from more densely populated inner-City areas.

The housing needs of the Southern California housing market are described and planned for by housing elements prepared by major jurisdictions within the SCAG region. Housing elements of SCAG, the County of Los Angeles, and other major jurisdictions were reviewed by the City to ensure consistency with its Plan.

2. Regional Allocation Model ("Fair Share" Concept)

HUD's Section 8 Federal Housing Assistance Program is the most important source of assistance for elderly and low-/moderate-income households requiring subsidies for new or substantially rehabilitated structures. Monies for the Section 8 Program are allocated by HUD to their Area Offices, which in turn contract with local housing authorities or developers.

The distribution of Section 8 funds is based on a Fair Share Allocation Concept, through which recipient jurisdictions are committed to channeling subsidies to needy households in proportion to need, as determined by an Areawide Planning Agency. The purpose of such a model is to counteract the unwillingness of some localities to accept HUD funds while discouraging or prohibiting low- and moderate-income housing through zoning and other indirect techniques. However, the models tend to allocate less than needed amounts of assistance to areas with greater demonstrated need in favor of higher funding to jurisdictions with less critical needs, with the intent of broadening housing opportunity throughout a housing market region.

The Southern California Association of Governments (SCAG) currently is preparing a revised Areawide Housing Opportunity Plan (AHOP), which will include an update of its Regional Allocation Model with its Fair Share Concept. The AHOP identifies the households in the region that require housing assistance because of limited income and lack of available affordable housing stock. The local housing needs are described in each City's or County's Housing Assistance Plan (HAP); HAP's are prepared by all jurisdictions in the SCAG region that apply for federal HCD Block Grant money. Regional housing assistance resources are allocated by the SCAG Regional Housing Allocation Model (RHAM) into various Fair Market Areas (FMA's). The Fair Market Areas were created to offer opportunities for dispersed housing throughout the region for disadvantaged households. Fifteen FMA's cover the City of Los Angeles. These are utilized in allocating City's Section 8 units, consistent with the regional need defined in the RAM.

Based on the AHOP, the City of Los Angeles is a "negative fair share" community (-23,000 households), which means that the City has more than its proportion of lower-income residents. These residents should have expanded housing opportunities in surrounding suburban communities outside the City of Los Angeles. These areas have a positive fair share responsibility, which Federal rent subsidy can help fulfill.

The utility of the Regional Housing Allocation Model will be directly related to its ability to reflect real world conditions. To this end, it is obvious that data quality is of critical concern. The City of Los Angeles is cooperating in this endeavor by providing SCAG with the most recent population estimates and other socioeconomic and housing data. The City population figures are believed to represent the most accurate estimates for the second largest entity in the SCAG region.

The City of Los Angeles population estimates are calculated using a "housing unit" method of estimating the population. This method uses the 1970 Census as a base. However, additional refinements have been incorporated to compensate for substantial undercounting that occurred in 1970. These data have established that an undercount of 125,000 occurred in 1970 and that the population of undocumented aliens may number several hundred thousands. These considerations will have a major impact on the SCAG model and, hence, on the housing assistance allocation for the City of Los Angeles.

The Regional Housing Allocation Model with its Fair Share Concept as developed by SCAG is an assessment of the need for low-cost units and repair or replacement of all substandard in all units the SCAG region. Identification of housing need is accompanied by allocation of resources on the basis of regional income distribution, proximity to employment, assessed per capita valuation, and per capita sales tax. The City of Los Angeles has estimated its need for Section 8 funds at 384,415 units, without addressing the impact of the 1970 undercount.

The evolving Regional Fair Share Allocation Model has further implications for the City of Los Angeles. HCD units and supplementary funding for bonus units are available through the Section 8 Program in areas where areawide planning organizations have adopted an AHOP. In 1977, SCAG was eligible for supplementary funds and received \$8.8 million, nearly one-half of the nationwide allocation. In the program's first year, the City share of this total has amounted to 532 extra Section 8 units, with more to come from the second year bonus allocation. Continued regional eligibility is dependent upon incorporation of a Fair Share Concept in the Areawide Housing Opportunity Plan and local support by a majority of member jurisdictions. Los Angeles will continue to work with SCAG to ensure that the City's best interests are incorporated into the Housing Allocation Model and Fair Share Concept.

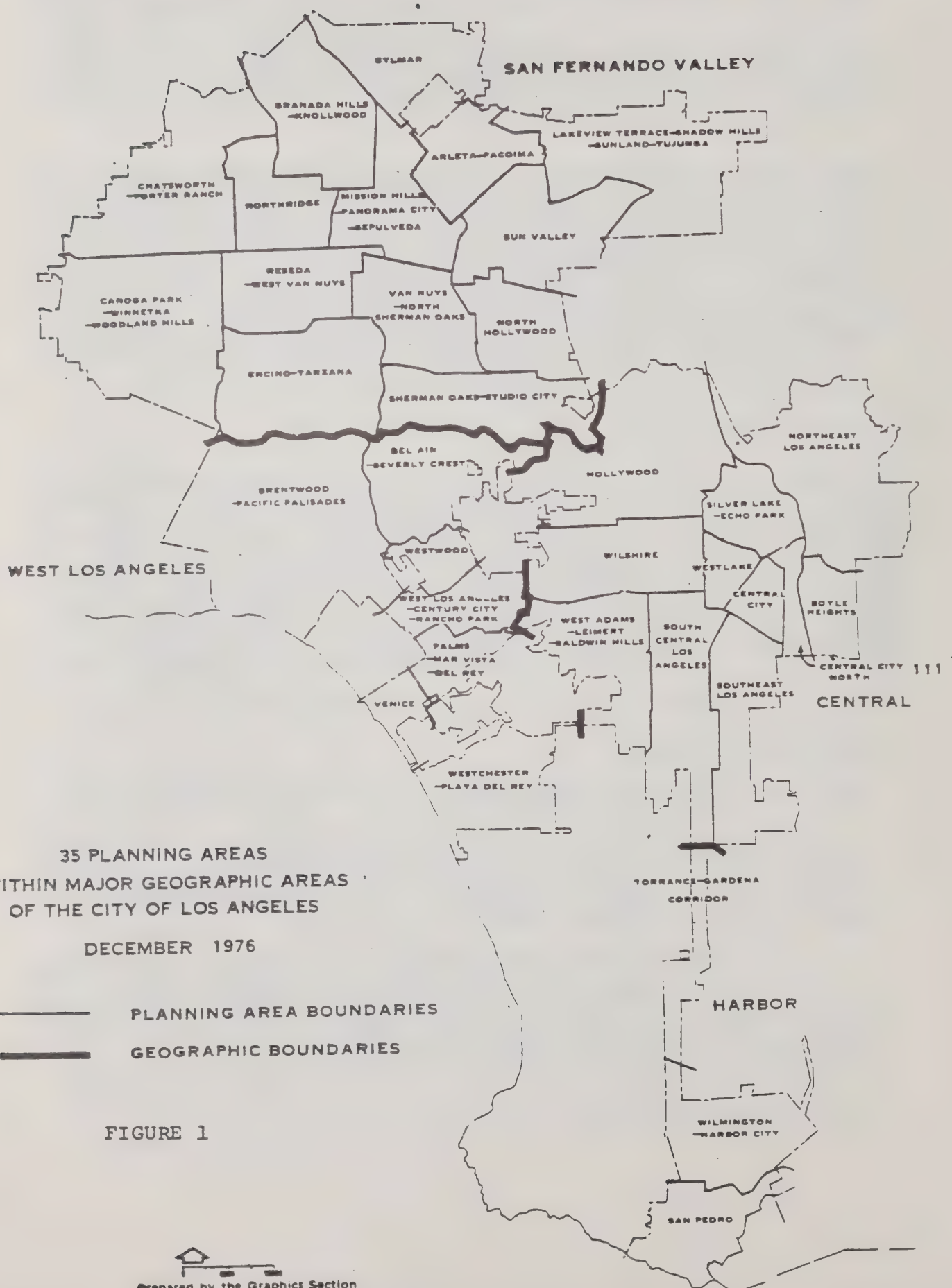
B. City of Los Angeles Housing

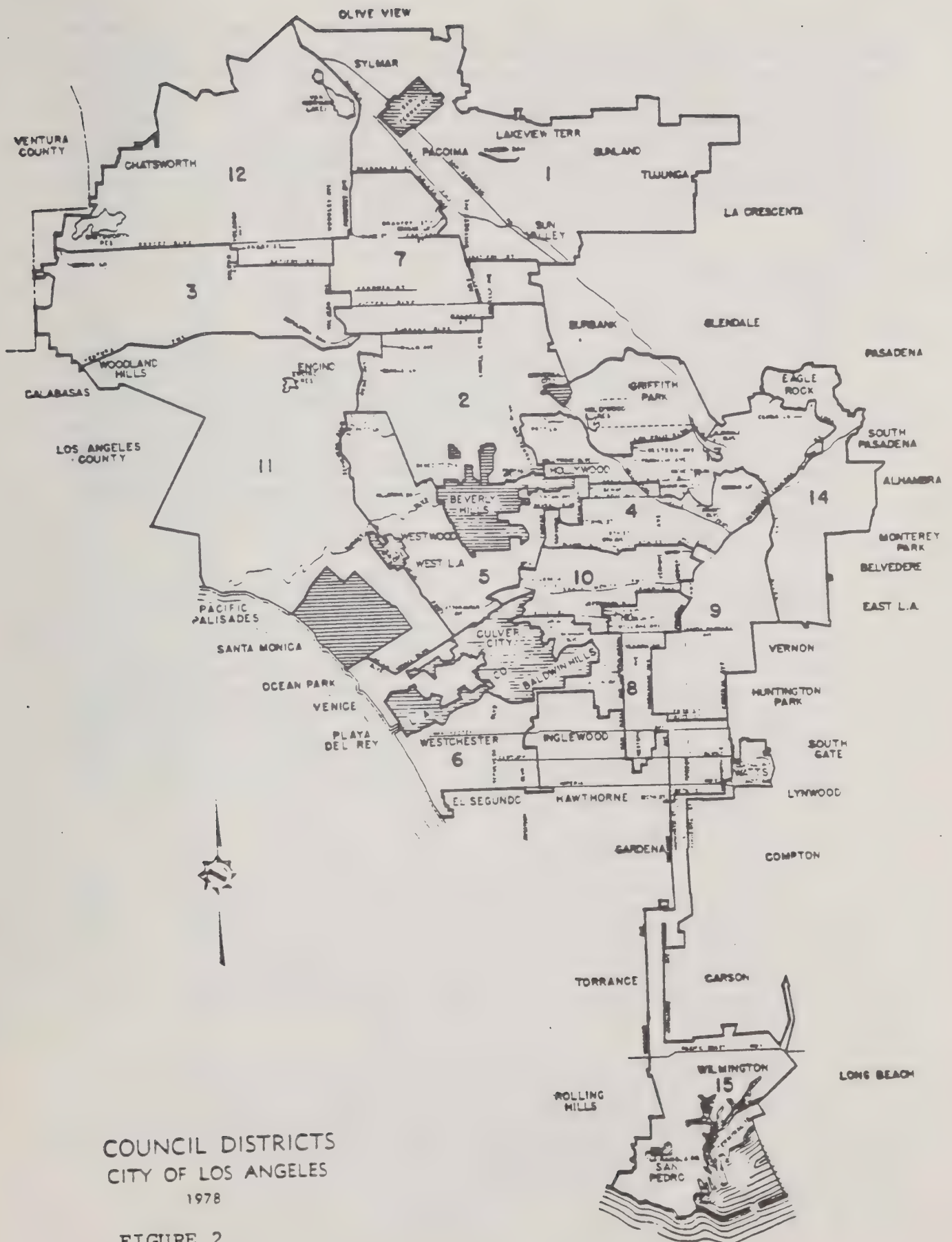
The present and future housing needs of the City of Los Angeles are summarized in this section. An analysis of current population and housing characteristics precedes the presentation of data, which indicate a deterioration of housing condition. The Population, Employment, and Housing Survey (PEH) provides current demographic and housing characteristics, and where survey data are unavailable, 1970 Census material is utilized. The population forecasts are the results of assumptions used in the City Planning Department's Population Projection Model, the population allocation to the 35 planning areas is based on current demographic trends. All data are analyzed for the City as a whole, for its four major geographic areas, the 35 community plan areas, and the 15 Council districts. Figure 1 shows the location of the City's 35 planning areas within the four geographic areas, while Figure 2 identifies the 15 Council districts.

1. Housing Stock History

The characteristics of the housing stock have evolved over a 200-year period in response to population fluctuations, intra-urban transportation developments, economic cycles, and changes in building styles and techniques. Thus, housing in Los Angeles tends to exhibit considerable variation in age, type, quality, intensity of use, tenure, cost, and accessibility. However, the overall pattern justifies the persistence of the image of Los Angeles as an archtypically low-density, high quality, single-family residential center.

The existing housing stock does not reflect the age of Los Angeles, the second oldest city on the Pacific Coast. Few residences date from before the 1880's, when a major economic boom resulted in a 350% population increase in a single decade. Steady increases in population stimulated building activity through the 1920's, particularly in the area south of the Santa Monica Mountains.





COUNCIL DISTRICTS
CITY OF LOS ANGELES
1978

FIGURE 2

After an uncharacteristic lull of fifteen years, occasioned by worldwide depression and World War II, building began again, with the subdivision of such outlying areas south of the Santa Monica Mountains as Mar Vista, Westchester, Bel Air, and Torrance-Gardena, as well as large-scale tract development in the San Fernando Valley. The post-war era also witnessed the widespread construction of small (5-49 units) multiple-family units on new sites and sites previously occupied by single-family homes. After 1959, regulations were adopted that liberalized height limitations on buildings, thereby promoting highrise apartment living for the first time, with particular concentration in the Bunker Hill, Century City, and Westwood areas.

2. Current Housing Data

a. Housing Stock

As of January 1, 1979, there were 1,159,642 housing units within the City, comprised of 49% single-family units, 46% multiple-family units, and 5% duplexes. Most of the multi-family units were in structures containing 5-49 units. Renters occupy 56.0% of the housing units, whereas owners occupy 41.6%; the vacancy rate is about 2.4%. Single-family, owner-occupied residences predominate in areas subdivided since World War II. The overwhelming predominance of renter-occupied, multiple-family dwellings are associated with Central City, Central City North, and Westlake. Tenure patterns in 1977 are summarized on Table 1.

According to the 1970 Census, the housing stock is in relatively sound condition throughout most of the City. Data are available concerning such commonly accepted parameters of housing quality as plumbing and crowding. Fewer than 2% of the housing units lacked plumbing facilities, i.e. running water, flush toilets, and baths. Only 9% of the total units were considered to be overcrowded, i.e. having more than 1.01 persons per room. The Central area communities exhibited an exceptionally high incidence of both inadequate plumbing and overcrowding. Plumbing facilities were found to be particularly deficient in the Central City North community, whereas overcrowding was a significant problem in Boyle Heights, Southeast Los Angeles, Pacoima-Sun Valley, and Wilmington-Harbor City.

1) Citywide Building Patterns

As shown on Table 1, the City housing stock reached a total of 1,159,642 units on January 1, 1979. This figure represents a net increase of 85,469 units added since the last official U.S. Census count taken on April 1, 1970, of which 80,229 were added during calendar years 1971 through 1978, for an annual average of 10,029 units per year. The annual total ranged from a high of 14,032 units in 1977 to a low of 5,466 units in 1974 (Table 2).

Based upon certificates of occupancy issued for new housing units and subtracting units demolished, the net gain in the City housing supply can be attributed primarily to the construction of new apartment (multiple dwelling) units. Since 1970 apartment housing has increased by a net total of 87,198 units, single-family dwelling rose by a mere 134 units, and duplexes lost a net of 1,863 units.

TABLE 1

ESTIMATED HOUSING INVENTORY BY GEOGRAPHIC AREA

Housing Inventory as of April 1, 1970,
Subsequent Certificates of Occupancy and Demolition Permits Issued,
and Resulting Estimated Inventory as of January 1, 1979

HOUSING INVENTORY - CENSUS BASE PERIOD, APRIL 1, 1970

	Singles (%)	Duplexes (%)	Multiples (%)	Total Units
Central Los Angeles	235,282 (42)	44,364 (8)	279,805 (50)	559,451
San Fernando Valley	227,634 (71)	3,631 (1)	91,420 (28)	322,685
Western Los Angeles	71,738 (50)	5,874 (4)	66,234 (46)	143,846
Southern Los Angeles	30,843 (64)	3,035 (6)	14,313 (30)	48,191
City of Los Angeles	565,497 (53)	56,904 (5)	451,772 (42)	1,074,173

CERTIFICATES OF OCCUPANCY ISSUED 4/1/70 - 12/31/78

	Singles (%)	Duplexes (%)	Multiples (%)	Total Units
Central Los Angeles	1,851 (8)	175 (1)	20,008 (91)	22,034
San Fernando Valley	11,678 (19)	26 (0)	46,850 (81)	58,554
Western Los Angeles	2,500 (10)	278 (1)	22,271 (89)	25,049
Southern Los Angeles	1,083 (18)	34 (1)	4,756 (81)	5,873
City of Los Angeles	17,112 (15)	513 (0)	93,885 (85)	111,510

(cont.)

TABLE 1 (CONT)

	DEMOLITION PERMITS 1/1/70 -- 9/30/78		
	Singles (%)	Duplexes (%)	Multiples (%) Total Units
Central Los Angeles	-9,214 (59)	-1,648 (10)	-4,846 (31) -15,708
San Fernando Valley	-3,839 (93)	-102 (3)	-188 (5) -4,129
Western Los Angeles	-2,908 (62)	-416 (8)	-1,380 (30) -4,704
Southern Los Angeles	-1,017 (68)	-210 (15)	-273 (17) -1,500
City of Los Angeles	-16,978 (65)	-2,376 (9)	-6,687 (26) -26,041
	ESTIMATED INVENTORY AS OF 1/1/79		
	Singles (%)	Duplexes (%)	Multiples (%) Total Units
Central Los Angeles	227,919 (40)	42,891 (8)	294,967 (52) 565,777
San Fernando Valley	235,473 (63)	3,555 (1)	138,082 (36) 377,110
Western Los Angeles	71,330 (44)	5,736 (4)	87,125 (52) 164,191
Southern Los Angeles	30,909 (59)	2,859 (6)	13,796 (35) 52,564
City of Los Angeles	565,631 (49)	55,041 (5)	538,970 (46) 1,159,642

Sources/Notes: Base period information obtained from U.S. Census, April 1, 1970, as subsequently corrected by Census Bureau; certificates of occupancy from monthly summary sheets of Dept. of Building and Safety; demolition permits from Urban Information System's computer printouts, as derived from records of Department of Building and Safety. In the case of demolition permits, a three-month lag is normally assumed to occur from time of permit issuance to time of building demolition. Single dwellings in 1970 included a City total of 6,272 occupied mobile homes known to exist as of census date, 4,209 of which were in the Valley.

TABLE 2
NET UNIT CHANGE
LOS ANGELES CITY RESIDENTIAL PERMITS, 1970-1978
CONSTRUCTION, DEMOLITION, AND RELOCATION

YEAR	CENTRAL CITY			WEST LOS ANGELES			HARBOR			SAN FERNANDO VALLEY			CITYWIDE		
	SINGLE	MULTIPLE	TOTAL	SINGLE	MULTIPLE	TOTAL	SINGLE	MULTIPLE	TOTAL	SINGLE	MULTIPLE	TOTAL	SINGLE	MULTIPLE	TOTAL
1970	-1,135	3,600	2,465	-214	3,726	3,512	77	682	759	714	13,129	13,843	-558	21,137	20,579
1971	-1,124	5,460	4,336	-609	3,496	2,887	99	308	407	537	3,718	4,255	-1,097	12,982	11,885
1972	-1,065	3,456	2,391	-370	3,225	2,855	-50	969	919	1,123	3,833	4,956	-362	11,483	11,121
1973	-858	2,103	1,245	-75	2,833	2,758	2	305	307	1,132	4,367	5,499	201	9,608	9,809
1974	-776	-90	-866	90	1,504	1,594	-44	480	436	627	3,675	4,302	-103	5,569	5,466
1975	-409	580	171	48	705	753	35	577	612	1,296	2,665	3,961	970	4,527	5,497
1976	-98	330	232	195	1,594	1,789	60	603	663	2,496	5,677	8,173	2,653	8,204	10,857
1977	45	834	879	297	1,376	1,673	126	610	736	2,401	8,343	10,744	2,869	11,163	14,032
1978	-23	2,057	2,034	107	1,089	1,196	-16	474	458	1,455	6,419	7,874	1,523	10,039	11,562
TOTAL	-5,443	18,330	12,887	-531	19,548	19,017	289	5,008	5,297	11,781	51,826	63,607	6,096	94,712	100,808

SOURCE: CITY PLANNING DEPARTMENT, DATA SUPPORT UNIT

In spite of the preponderance of new apartment construction since 1970, single-family dwellings and duplexes still account for more than one-half of the City's entire housing supply. Comparable figures are:

<u>Type of Unit</u>	<u>April 1, 1970</u>	<u>January 1, 1979</u>
Single-family	565,497 (53%)	565,631 (49%)
Duplex	56,904 (5%)	55,041 (5%)
Apartment	451,772 (42%)	538,970 (46%)

Following earlier post-war trends in new housing construction, the San Fernando Valley continued to lead other areas of the City with 58,554 certificates of occupancy issued for new units between 1970 and January 1, 1979. The Valley was followed by Western Los Angeles (25,049 units), Central Los Angeles (22,034 units), and Southern Los Angeles (5,873 units). Apartment units represented 85 percent of the certificates of occupancy issued for new units in the City during this period.

Central Los Angeles, which contains the bulk of the City's older housing stock, also accounted for the majority of housing units demolished since 1970. Of the City total of 26,041 units removed during the past eight years and nine months, 15,708 (62 percent) were in Central Los Angeles. In Western Los Angeles 4,704 units were demolished, followed by the San Fernando Valley with 4,129 units and Southern Los Angeles with 1,500 units. The vast majority (65 percent) of units removed were single-family dwellings, many of which were cleared to make way for new apartment buildings.

Conversions of apartment buildings to condominiums are increasing, with 184 applications representing 11,683 units filed during the calendar year 1977. According to a recent survey (1), 39 apartment buildings with 2,744 units were converted to condominiums in the City of Los Angeles between July, 1973 and July, 1978 (2). Seventy-six percent of the occupants were previous renters in the same units. The current rate of conversion is several times greater than in years past. Conversions will tend to reduce the number of rental units available thereby driving up rents, unless new units are constructed. Conversions also increase the cost of housing to the renter turned buyer, although he may offset this higher costs by tax credits. On the other hand, condominium conversions provide home ownership opportunities in high cost markets, create more stable communities, and act as an incentive for construction of new units.

The proportional share of multiple unit dwellings in Central City districts declined relative to San Fernando Valley districts, where construction was more active. However, the majority of multiple-unit housing continued to be available in Central City districts.

(1) Public Affairs Consultants Survey, September 1978.

(2) Los Angeles County Assessor's manual file indicates that the number of converted units increased to 3,525 as of July 31, 1978.

2) Council District Construction Activity: 1965-1976

Council District 1:

Construction of multiple-family units was low, while single-family unit construction was moderate. This District still has the highest percentage of single-family units; extensive amounts of vacant land, capable of being developed remain.

Council District 2:

A substantial number of multiple-units were built, but there was a modest decline in single-family unit construction. There were low demolition rates. Substantial amounts of vacant land, capable of being developed remain.

Council District 3:

Single-family unit construction was moderate to high, and a large number of multiple units also were built. There was a decline in the percentage of single-family units. A substantial amount of vacant land remains, which might be suitable for development at a higher density.

Council District 4:

There was very little single-family unit construction, but there was a high level of multiple-unit development. This District contains the lowest percentage of single-family units in the City. There is very little vacant land remaining in this high density area.

Council District 5:

Construction of single-family units was very modest, but the largest number of multiple units in the City was built here. There has been a substantial amount of demolition of multiple units. The high density character of this District will continue because very little vacant land is available.

Council District 6:

Construction approximated the Citywide average in this district with about 8,764 residential units. Very few single-family units were built, only 7.7% compared to 19.4% Citywide, and there was an actual decline in the number of single-family units. The construction of multiple-units was moderate. Only a modest amount of land is still vacant, assuring that few single-family units will be built, and that the trend will remain towards higher density units.

Council District 7:

There was a strong trend towards higher density multiple-unit development. Single-family unit construction was lower than for multiple-units but was still higher than in eight other Districts. A modest amount of vacant land is still available, which will perpetuate the trend toward higher density living.

Council District 8:

A large number of multiple units were built, but the overall lack of new construction has resulted in an actual decline of residential units. This was exacerbated by the loss of nearly 1,000 single-family units, primarily because of acquisitions for the proposed Century Freeway. There is an almost total lack of vacant land and new construction can only be brought about through demolition of single-family units for replacement by multiple units.

Council District 9:

Construction mostly involved multiple-family units, but decreases in the number of residential units have intensified. These trends will continue unless efforts to revitalize the Central City are successful.

Council District 10:

Over 98% of all construction of residential units was in small multiple-unit buildings. The lack of construction of single-family units resulted in a significant decline in the number of these units. There is very little vacant land for new development.

Council District 11:

This District had the second largest increase in the construction of single-family units and the fifth largest increase in multiple units of all Council districts. Despite the increase, the number of single-family units fell because of demolitions. Considerable residential construction is likely to continue because extensive amounts of vacant land are available for residential building.

Council District 12:

Nearly 19,000 new residential units were built, with nearly 9,000 being single-family units. Multiple-unit construction was lower relative to the single-family units but still above average for the City. There was considerable single-family unit demolition. There is a substantial amount of vacant land that could result in more single-family unit construction.

Council District 13:

Single-family unit construction was limited, but there was an increase in multiple-family units. There is a relatively modest amount of vacant land. The trend may continue towards higher density residential development.

Council District 14:

This is an inner-City District with little residential construction; most recent construction has been concentrated in higher density units. Moderate amounts of vacant land still available in El Sereno could result in the construction of single-family units.

Table 3

NEW RESIDENTIAL CONSTRUCTION BY COUNCIL DISTRICT

1965 - 1968 AND 1970 - 1976

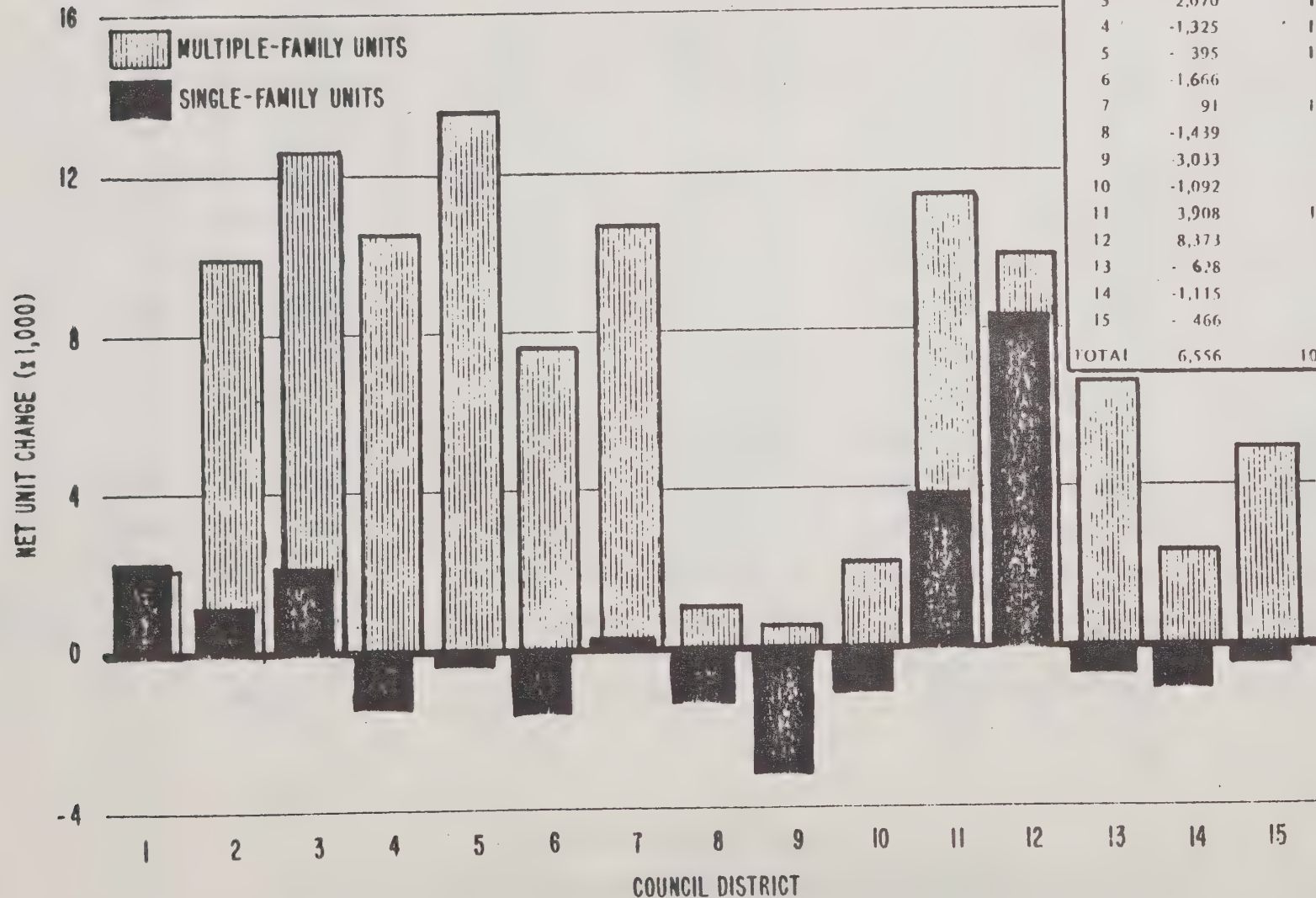
COUNCIL DISTRICT	1965-68				1970-76				TOTAL UNITS				TOTAL	
	SF		MF		SF		MF		1965-68		1970-76		NO.	% OF CITY
	NO.	% OF CITY	NO.	% OF CITY	NO.	% OF CITY	NO.	% OF CITY	NO.	% OF CITY	NO.	% OF CITY		
1	1,600	11.9	976	2.7	1,408	9.6	1,189	1.5	2,576	5.2	2,597	2.8	5,173	3.6
2	981	7.3	2,539	6.9	917	6.3	7,444	9.3	3,520	7.0	8,361	8.9	11,881	8.2
3	1,467	11.0	1,436	3.9	1,407	9.6	11,116	13.9	2,903	5.8	12,523	13.3	15,426	10.7
4	36	0.3	4,231	11.5	42	0.3	7,690	9.6	4,267	8.5	7,732	8.2	11,999	8.3
5	310	2.3	4,700	12.8	458	3.1	10,695	13.4	5,010	10.2	11,153	11.8	16,163	11.2
6	371	2.8	2,802	7.6	305	2.1	5,286	6.6	3,173	6.3	5,591	5.9	8,764	6.1
7	586	4.4	2,055	5.6	489	3.3	8,232	10.3	2,641	5.3	8,721	9.2	11,362	7.9
8	54	0.4	864	2.4	181	1.2	1,090	1.4	918	1.8	1,271	1.3	2,189	1.5
9	59	0.4	2,152	5.9	189	1.3	885	1.1	2,211	4.4	1,074	1.1	3,285	2.3
10	39	0.3	2,044	5.6	24	0.2	1,367	1.7	2,083	4.2	1,391	1.5	3,474	2.4
11	2,564	19.1	4,423	12.1	2,594	17.7	7,358	9.2	6,987	14.0	9,952	10.5	16,939	11.7
12	3,990	29.8	1,909	5.2	4,921	33.6	8,003	10.0	5,899	11.8	12,924	13.7	18,823	13.0
13	478	3.6	3,343	9.1	522	3.6	4,093	5.1	3,821	7.6	4,615	4.9	8,436	5.8
14	365	2.7	1,893	5.2	193	1.3	827	1.1	2,258	4.5	1,020	1.1	3,278	2.3
15	499	3.7	1,325	3.6	1,011	6.9	4,512	5.7	1,824	3.6	5,523	5.8	7,347	5.1
CITY	13,390		36,692		14,661		79,787		50,091		94,448		144,539	

Source: Real Estate Construction in the City of Los Angeles 1965-1976
Community Development Department May, 1978

Figure 2-3

NET UNIT CHANGE BY COUNCIL DISTRICT 1965-1968 and 1970-1976

Council District	Single-Family Units	Multiple-Family Units
1	2,239	2,137
2	1,034	9,818
3	2,070	12,535
4	-1,325	10,488
5	-395	13,510
6	-1,666	7,660
7	91	10,286
8	-1,439	1,081
9	-3,033	518
10	-1,092	2,250
11	3,908	11,319
12	8,373	9,902
13	-628	6,679
14	-1,115	2,345
15	-466	4,974
TOTAL	6,556	105,502



Source: Real Estate Construction in the City of Los Angeles 1965-1976
 Community Development Department May, 1978

Council District 15:

There was an average level of residential construction activity, comparable to that found in the 6th and 13th Districts. Substantial vacant land remains for single-family unit development. The older age of much of the housing may result in demolitions, creating space for more single-family unit construction.

b. Characteristics of the Population, 1977

1) Total

The origins of the population of Los Angeles are quite diverse. A majority (51.6%) of this population is classified as White, while Black and Hispanic residents comprise 17.5% and 23.5% of the population, respectively.

A high degree of racial and ethnic segregation characterizes the City. Groups classified as White comprise 75% or more of the population of 17 of the 35 community plan areas, including 11 of the 14 plan areas of the San Fernando Valley and most of the communities in the western part of the City. Black residents form a majority in only three contiguous community plan areas, Southeast Los Angeles, South Central, and West Adams-Leimert Park-Baldwin Hills. Hispanics predominate to the near exclusion of other ethnic groups in the Boyle Heights Community. Persons of Asiatic origin do not form a majority in any community plan area. A planning area summary of the five major racial/ethnic groups is contained in Table 4.

The more heterogeneous communities are found nearly exclusively south of the Santa Monica Mountains, where they are distributed in uneven pattern. In the contiguous Northeast, Silverlake-Echo Park, and Westlake Areas, the populations generally are equally divided between White and Hispanic groups. Significant concentrations of Hispanic persons within predominantly White communities are found in the southernmost plan areas, San Pedro and Wilmington-Harbor City. Significant Black and Hispanic concentrations associated with White majority populations are found in four widely separated areas, i.e. Venice, Wilshire, Arleta-Pacoima, and Torrance-Gardena. The large number of undocumented aliens appear to be concentrated in the northeastern and central parts of the city. Asian populations constitute sizeable minorities in the Silverlake-Echo Park and Torrance-Gardena Areas and particularly in the North and East Central City Area, which contains Chinatown. Only in the Central City Planning Area does the racial and ethnic composition approximate that of the City as a whole.

2) Socioeconomic Characteristics

Notwithstanding erosion of income caused by inflation, the population is relatively prosperous and well educated. Median-family income for the City in 1977 was \$14,030, while median household income was \$10,500 (Tables 5, 6 and 7). Educational attainment is relatively high: median education was over 12 years of school attendance, and 18% of the adult population had four or more years of college. These averages have increased significantly from 1970 according to the 1977 Population Employment and Housing Survey (PEHS). Areas of especially high income and education are dispersed throughout the San Fernando Valley and the westernmost communities south of the Santa Monica Mountains, with the exception of Venice.

There are significant segments of the local population that do not share in this prosperity. Approximately 18.2% of all households, numbering 203,337, have incomes below the poverty level; another 373,750 households are classified as low-income. Disadvantaged households are not evenly distributed within the total population but are concentrated among Blacks, Hispanics, and the elderly. The percentage of Black and Hispanic households in poverty is twice that of either White or Asian households. The most impoverished areas were five contiguous communities: Central City, East and North Central City, Westlake, Boyle Heights, and Southeast Los Angeles.

c. Current Housing Problems

1) Condition of Housing Stock

The City's housing stock must be rated as good. As of December 1978, there were an estimated 1,157,895 dwelling units of which 1,079,158 were estimated to be of 'sound' condition. However, approximately 236,000 of these required limited fix-up to bring them up to City Building Code requirements. (This estimate is derived from the 1979-80 Housing Assistance Plan, displayed in Exhibit 1, Appendix E.)

Substandard units are believed to number 78,737 units. The vast majority of these units are concentrated within the older units of the Central City (Table 8). Approximately 69,400 of these substandard units are expected to be suitable for rehabilitation. The remaining 9,300 are believed to be beyond salvage and should be demolished (Exhibit 1). Currently 400 "substandard" dwellings are razed yearly because the owners choose not to bring their structures into compliance with the City Building Code. The private sector removes about 2,000 units per year. Some of these units are assumed to be not "suitable for rehabilitation", though the exact number is not known. Through these demolitions, the substandard units not suitable for rehabilitation are being eliminated from the housing stock.

2) Cost of Shelter

Angelenos in the past, have enjoyed comparatively low housing costs, in large measure because of the relative abundance of inexpensive land, reduced construction costs occasioned by mild climate, and a large supply of vacant units. Since 1970, however, along with other living costs, the cost of shelter has escalated so rapidly, that the City of Los Angeles is now counted among the most expensive housing markets in the nation. A dwindling supply of building sites, increased construction costs, higher interest rates, new environmental and social constraints, and the demand for larger dwelling with more built-in features have all contributed to escalating prices of new homes and have inflated the value of existing units. The tight rental market, the length of City approval and processing time for new apartments, and increased operating expenses have contributed to significant increases in rents, even though rents have lagged behind the consumer price index average. No part of the City and no socioeconomic group has been immune to these influences.

TABLE 4

1977 ESTIMATED ETHNICITY BY PLANNING AREA / 1977

PLANNING AREA NAME	SPANISH (% of POP. Tot Pop)	BLACK (% of POP. Tot Pop)	ASIAN (% of POP. Tot Pop)	WHITE (% of POP. Tot Pop)	INDIAN (% of POP. Tot Pop)	TOTAL POP.
BOYLE HEIGHTS	70515 (91.6)	986 (1.3)	3306 (4.3)	1951 (2.5)	227 (.3)	76982
CENTRAL CITY	5956 (33.1)	1947 (10.8)	1045 (5.8)	8920 (49.6)	125 (.7)	17994
HOLLYWOOD	27881 (15.6)	10080 (5.7)	19367 (10.9)	117492 (66.0)	3289 (1.8)	178103
N. E. CENTRAL CITY	7985 (56.9)	1161 (8.3)	2794 (19.9)	2009 (14.3)	92 (.6)	14039
NORTHEAST LOS ANGELES	108937 (98.9)	613 (.3)	10864 (8.0)	59897 (32.4)	689 (.4)	104998
S. CENTRAL LOS ANGELES	31217 (14.8)	161077 (76.5)	8662 (3.2)	10895 (5.2)	753 (.3)	210603
SILVER LAKE-ECHO PARK	42361 (54.9)	565 (.7)	16351 (21.2)	17452 (22.6)	472 (.6)	77200
SOUTHEAST LOS ANGELES	20965 (17.8)	133670 (79.4)	1578 (.9)	2807 (1.7)	284 (.2)	168296
W. ADAMS-LEIMERT-BALDWIN H	9038 (6.0)	116133 (76.8)	10713 (7.1)	15040 (9.9)	333 (.2)	151259
WESTLAKE	44714 (95.7)	1547 (1.9)	13099 (16.3)	20251 (25.2)	684 (.8)	80293
WILSHIRE	52324 (24.0)	31948 (14.6)	31521 (14.4)	101796 (46.7)	552 (.3)	218129
CENTRAL GEOGRAPHIC TOTALS	430893 (31.3)	459727 (33.4)	121300 (8.8)	358510 (26.0)	7500 (.5)	1377896
ARLETA-PACOMA	29360 (45.3)	15371 (23.7)	2159 (3.3)	16360 (25.2)	1569 (2.4)	64815
CANOGA PARK-WINNETKA-W.H.	9729 (7.7)	964 (.7)	1492 (1.2)	113692 (90.1)	395 (.3)	126274
CHATSORTH-PORTER RANCH	3786 (6.1)	931 (1.5)	1306 (2.1)	54322 (87.8)	1534 (2.5)	61878
CINDRO-TARZANA	3671 (5.3)	461 (.7)	834 (1.2)	64113 (92.2)	457 (.6)	69540
GRANADA HILLS-KNOLLWOOD	5136 (9.5)	870 (1.6)	1426 (2.6)	45670 (84.3)	1094 (2.0)	54195
MISSION HILLS-P.C.-SEPUL.	14741 (19.2)	2547 (3.3)	3977 (5.2)	54737 (71.4)	613 (.8)	76617
NORTH HOLLYWOOD	14700 (16.2)	2651 (2.9)	3708 (4.1)	68512 (75.4)	1301 (1.4)	90870
NORTHRIDGE	4133 (8.0)	1290 (2.5)	1647 (3.2)	44118 (85.1)	634 (1.2)	51824
RESEDA-WEST VAN NUYS	5781 (7.5)	1906 (2.5)	560 (.7)	67249 (87.5)	1376 (1.8)	76871
SHERMAN OAKS-STUDIO CITY	2537 (3.6)	758 (1.1)	1072 (1.5)	65046 (93.0)	516 (.7)	69925
SUN VALLEY	17083 (28.4)	1197 (2.0)	4256 (7.1)	36295 (60.4)	1221 (2.0)	60049
SUNLAND-TUJUNGA-S.H.-L.T.	5122 (11.3)	2397 (5.3)	1338 (2.9)	36114 (79.5)	470 (1.0)	45440
SYLMAR	10011 (24.2)	1810 (4.4)	1415 (3.4)	27820 (67.3)	279 (.7)	41336
VAN NUYS-NO. SHERMAN OAKS	16618 (15.2)	1630 (1.5)	4638 (4.2)	84812 (77.7)	1358 (1.2)	109058
S.P. VAL. GEOGRAPHIC TOTALS	142408 (14.3)	34783 (3.5)	29828 (3.0)	778860 (80.0)	12817 (1.3)	998692
BEL AIR-BEVERLY CREST	895 (4.5)	313 (1.5)	555 (2.8)	10076 (90.3)	181 (.9)	20021
BRENTWOOD-PACIFIC PAL.	2864 (4.9)	268 (.5)	1376 (2.4)	52859 (91.4)	494 (.8)	57861
PALMS-MAR VISTA-DEL REY	22185 (22.5)	2760 (2.8)	9227 (9.4)	63237 (64.2)	1123 (1.1)	98529
VENICE	11914 (31.2)	4086 (10.7)	615 (1.6)	21004 (55.1)	499 (1.3)	38119
WESTCHESTER-PLAYA DEL REY	3297 (6.7)	688 (1.4)	815 (1.7)	43789 (89.7)	191 (.4)	48778
WESTWOOD	1329 (3.5)	446 (1.2)	1330 (3.5)	33893 (90.0)	715 (1.9)	37710
WLA-CENTURY CTY-RANCHO PK	5509 (9.6)	1191 (1.7)	7000 (10.4)	51722 (76.5)	1178 (1.7)	67598
WEST L.A. GEOGRAPHIC TOTALS	48993 (13.3)	9752 (2.6)	20918 (5.7)	284580 (77.2)	4381 (1.2)	368616
SAN PEDRO	22994 (32.1)	3599 (5.0)	2094 (2.9)	41925 (58.5)	1113 (1.5)	71721
TORRANCE-GARDENA CORRIDOR	10695 (33.7)	4199 (13.6)	3240 (10.5)	12382 (40.2)	317 (1.0)	30834
WILMINGTON-HARBOR CITY	25880 (49.0)	1881 (3.6)	5576 (10.6)	18990 (35.9)	503 (.9)	52830
HARBOR GEOGRAPHIC TOTALS	59569 (38.3)	9679 (6.2)	10910 (7.0)	73297 (47.2)	1933 (1.2)	155385
CITY OF LOS ANGELES	681863 (23.5)	513941 (17.7)	182956 (6.3)	1495247 (51.6)	26631 (.9)	2900589

NOTE: COLUMN TOTALS MAY NOT ADD UP TO TOTAL POPULATION BECAUSE OF ROUNDING

TABLE 5
1969-76 MEDIAN FAMILY INCOME
BY PLANNING AREA

PLANNING AREA NAME	1969 CENSUS FAMILY INCOME (Dollars)	1976 MEDIAN FAMILY INCOME (Dollars)	-----CHANGE----- 1969-1976 (Dollars) (Percent)
BOYLE HEIGHTS	6,794	8,299	1,505 22.2
CENTRAL CITY	6,081	7,106	1,025 16.9
HOLLYWOOD	9,935	15,160	5,225 52.6
N. & E. CENTRAL CITY	5,781	6,429	648 11.2
NORTHEAST LOS ANGELES	9,191	11,810	2,619 28.5
S. CENTRAL LOS ANGELES	7,393	8,928	1,535 20.8
SILVER LAKE-ECHO PARK	8,757	11,656	2,899 33.1
SOUTHEAST LOS ANGELES	5,577	6,792	1,215 21.8
W. ADAMS-LEIMERT-BALDWIN H.	9,218	11,789	2,571 27.9
WESTLAKE	6,413	7,728	1,315 20.5
WILSHIRE	10,290	14,710	4,420 43.0
ARLETA-PACOIMA	10,042	12,731	2,689 26.8
CANOGA PARK-WINNETKA-W.H.	14,517	22,107	7,590 52.3
CHATSWORTH-PORTER RANCH	14,817	21,908	7,091 47.9
ENCINO-TARZANA	17,450	27,980	10,530 60.3
GRANADA HILLS-KNOLLWOOD	14,577	20,250	5,673 38.9
MISSION HILLS-P.C.-SEPUL.	12,476	16,900	4,424 35.5
NORTH HOLLYWOOD	10,526	15,302	4,776 45.4
NORTHRIDGE	16,546	23,285	6,739 40.7
RESEDA-WEST VAN NUYS	11,974	16,538	4,564 38.1
SHERMAN OAKS-STUDIO CITY	14,592	21,990	7,398 50.7
SUN VALLEY	11,968	16,265	4,297 35.9
SUNLAND-TUJUNGA-S.H.-L.T.	11,702	16,534	4,832 41.3
SYLMAR	11,700	14,828	3,128 26.7
VAN NUYS-N. SHERMAN OAKS	11,576	16,351	4,775 41.2
BEL AIR-BEVERLY CREST	30,225	39,336	9,111 30.1
BRENTWOOD-PACIFIC PAL.	20,900	28,998	8,098 38.7
PALMS-MAR VISTA-DEL REY	11,348	15,694	4,346 38.3
VENICE	8,888	12,211	3,323 37.4
WESTCHESTER-PLAYA DEL REY	14,685	20,750	6,065 41.3
WESTWOOD	18,280	27,010	8,730 47.8
WLA-CENTURY CITY-RANCHO PK	12,879	18,724	5,845 45.4
SAN PEDRO	9,691	14,065	4,374 45.1
TORRANCE-GARDENA CORRIDOR	10,714	14,556	3,842 35.9
WILMINGTON-HARBOR CITY	9,216	11,446	2,230 24.2
CITY OF LOS ANGELES	10,532	14,030	3,498 33.2

SOURCE: Community Analysis and Planning Division, Los Angeles City
Community Development Department.

TABLE 6
COUNT OF HOUSEHOLDS
BY INCOME AND ETHNICITY
BY GEOGRAPHICAL AREA

	TOTAL HOUSEHOLDS	WHITE HOUSEHOLDS	BLACK HOUSEHOLDS	SP. SURNAME HOUSEHOLDS	ASIAN HOUSEHOLDS
TOTAL	1,113,976	626,540	198,583	188,990	59,350
In Poverty	203,337	83,213 *	58,628	48,058	7,828 *
Below 80% of Median	577,087	N.A.	142,138	126,722	N.A.
MEDIAN HOUSEHOLD					
Income	\$10,500	\$13,974	\$6,983	\$8,917	\$13,467

Source: 1977 Population Employment and Housing Survey, Community Analysis and Planning Division, Los Angeles City Community Development Department.

* These figures are estimates and are not available from Population, Employment and Housing Survey

N.A. - NOT AVAILABLE

TABLE 7

1977 HOUSEHOLD INCOME
BY GEOGRAPHIC AREAS

INCOME CATEGORIES DOLLARS	GEOGRAPHIC AREAS				
	CENTRAL	SFV	WESTERN	HARBOR	CITY OF LOS ANGELES
0 - 2,999	56,873	17,939	10,849	4,166	89,827
3,000 - 6,999	117,997	54,445	26,772	13,242	212,456
7,000 - 11,999	121,415	57,124	24,717	7,732	210,988
12,000 - 15,999	69,601	51,955	22,492	8,308	152,356
16,000 - 21,999	53,696	62,869	27,004	8,329	151,898
22,000 - 35,999	42,303	76,483	28,536	6,796	154,118
+36,000	14,347	34,925	19,060	1,692	70,024
	476,232	355,740	159,430	50,265	1,041,667

SOURCE: 1977 Population Employment and Housing Survey, Community Analysis and Planning Division, Los Angeles City Community Development Department

TABLE 8

PROJECTED HOUSING NEED

	1977 TOTAL	ESTIMATED SOUND	DWELLING SUBSTANDARD ¹ TOTAL	UNITS NO REHAB	2000 TOTAL DEMAND	FORECAST UNITS TO ² BE BUILT
CENTRAL LOS ANGELES	559,578	492,022	67,556	8,000	640,600	89,000
SAN FERNANDO VALLEY	360,729	356,241	4,488	500	446,400	86,200
WESTERN LOS ANGELES	167,413	163,240	4,173	500	194,500	27,600
HARBOR	51,411	48,891	2,520	300	60,600	9,500
CITY TOTAL	1,139,131	1,060,394	78,737	9,300	1,342,100	212,300

¹Substandard Units taken from 1979-80 Housing Assistance Plan. The Total Substandard Units represents the estimated number of such units in 1978. No-Rehab represents the number of units not suitable for rehabilitation.

²Units to be Built represents the number of units required to house the Year 2000 population and replacement of the substandard units not suitable for rehabilitation.

TABLE 9
COMPARISON OF RENTS, 1970 TO 1977

RENT/MONTH	1970		1977	
	#	%	#	%
\$100	274,587	45	75,651	12
\$100 - \$149	204,559	34	174,427	27
\$150 - \$199	84,986	14	210,931	33
\$200 - \$249	23,270	4	93,951	15
\$250 - \$299	11,267	2	41,819	6
\$300+	9,193	1	42,506	7
Rent/Income 25% Median Rent/Month	265,651 \$107	48	303,203 \$166	47
TOTAL	607,862		639,285	

SOURCE: HOUSING VACANCY, BUILDING ACTIVITY AND PRICE TREND 1965-1977. Community Analysis and Planning Division, Los Angeles City Community Development Department 1978.

TABLE 10

Income Distribution of Renter Households
City of Los Angeles

Income	1970		1977	
	#	%	#	%
≤ \$1999	94,041	15.4	23,239	3.6
2000- 2999	60,685	10.0	32,621	5.1
3000- 3999	47,843	7.9	85,835	13.4
4000- 4999	45,924	7.6	51,924	8.1
5000- 5999	47,222	7.8	28,947	4.5
6000- 6999	45,387	7.5	58,387	9.1
7000- 9999	111,828	18.4	105,177	16.5
10000-14999	95,987	15.8	111,393	17.4
15000-24999	46,468	7.6	106,382	16.6
25000+	12,477	2.1	35,364	5.5
Total	607,862		639,287	
Median	\$6181		\$8103	

Source: 1977 Population, Employment and Housing Survey.
Community Analysis and Planning Division, Los Angeles
City Community Development Department.

Renting a Home. Rents in the City of Los Angeles have increased dramatically between 1970 and 1977. Median rent was \$107 in 1970 and \$166 in 1977, representing a 55% increase. More significantly, the number of low-cost units declined. In 1970, approximately 80% of all rental units cost less than \$150 per month. By 1977, only 40% of these units rented for less than \$150 per month (Table 9).

Compounding the problem is the slower rate of increase in household income for renters from 1970 to 1977. Median household income for renters increased from \$6,181 to \$8,103, or only about 32%. Table 10 compares the income distribution for renters between 1970 and 1977. Comparisons indicate that the income of renters has not kept pace with rent increases. This is further evidenced by the growth in the number of households spending more than 25% of their income on shelter. In 1970, there were 265,651 households having unfavorable rent-to-income ratios compared to 303,203 in 1977, according to the 1977 City Population, Employment and Housing Study. It is probable that the large majority of these households are concentrated among the lower income population. It is the lower income households that are least able to afford overspending for rent. Doing so forces these households to curtail spending for other necessities.

Home Ownership. The cost of purchasing a new or existing home also has risen dramatically in the past seven years. The mean sales price of existing units has increased nearly 70% between 1970 and 1977 (Table 12). Median household income has not increased as rapidly. Rapid price escalation has had its greatest impact on those buying their first home, whereas those who currently own a home can use equity to purchase another dwelling. The 1978 average price of \$77,607 requires a 20% down payment of approximately \$15,000 for an existing house.⁽¹⁾ Fewer and fewer households wanting to buy a first home can afford the high down payment. Average new housing in Los Angeles costs between \$100-150,000.⁽²⁾

The price of new housing has escalated more rapidly than the price of existing dwellings. Figure 4 shows the price distribution of new dwellings in Los Angeles County. There is no new housing for sale for low income families; only 1.2% of the new units in 1977 was priced below \$40,000. Although detailed information is not available for the City, it is highly probable that the cost of new housing in the City is higher than in the County as a whole. Thus, purchase of new units is limited to those households who have a considerable equity in an existing property or an annual income over \$30,000. The breakdown between owner-occupied and rental units is shown in Table 12. The rapid increase in new detached housing costs has made condominiums much more attractive as a means of affordable housing for those wishing to move into equity positions.

3) Overcrowding

Table 13 shows the number and percentage of overcrowded dwelling units (i.e., 1.01 or more persons per room) within the City of Los Angeles and its four geographic subareas for 1970 and 1977. For the City as a whole, the number of overcrowded dwelling units increased, but the percentage, when compared to the total number of dwelling units, decreased slightly from 8.79 percent in 1970 to 8.69 percent in 1977. The percentage of overcrowded dwelling units increased in the Central and Harbor geographic areas and decreased in the San Fernando Valley and Western geographic areas.

TABLE II

TENURE AND RELATED CHARACTERISTICS OF HOUSING
BY GEOGRAPHIC AREA, 1977

	G E O G R A P H I C A R E A S				CITY OF LOS ANGELES
	CENTRAL	SFV	WESTERN	HARBOR	
TOTAL DWELLING UNITS	559,578	360,729	167,413	51,411	1,139,131
OCCUPIED DWELLING UNITS	539,676	355,722	165,531	50,264	1,111,213
OWNER OCCUPIED UNITS	174,888	203,938	69,197	25,029	473,565
MEDIAN VALUE OWN. OCCU'D.	30,000	56,000	72,500	42,250	50,000
RENTER OCCUPIED UNITS	364,788	151,784	96,334	25,239	637,648
MEDIAN RENT/MONTH	\$140.00	\$198.00	\$230.00	\$160.00	\$166.00

SOURCE: 1977 Population Employment and Housing Survey, Community Analysis and Planning Division, Los Angeles City Community Development Department.

TABLE 12
ANNUAL AVERAGE SALE PRICE OF SINGLE FAMILY UNITS
BY GEOGRAPHIC AREA

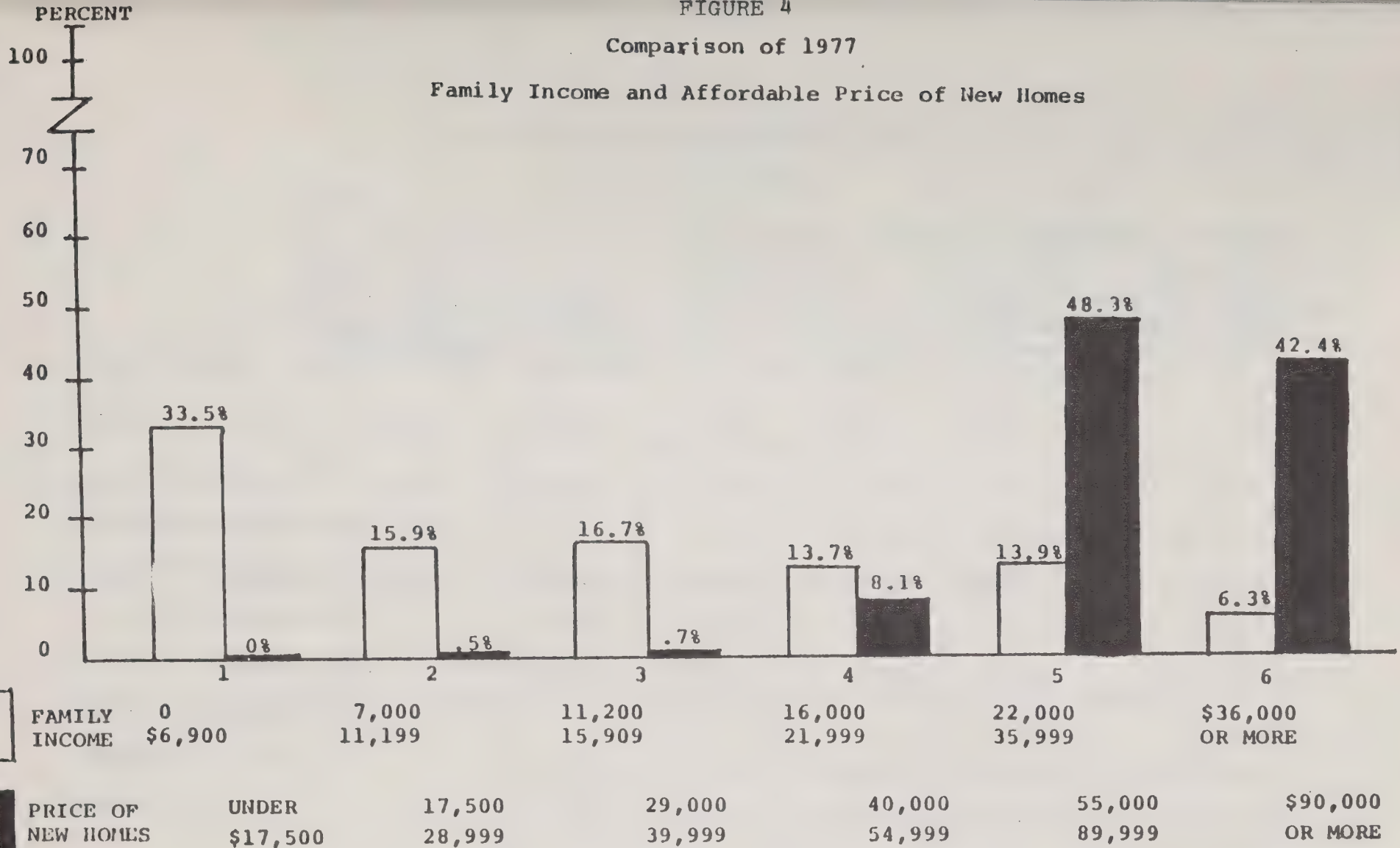
YEAR	G E O G R A P H I C A R E A S				CITY OF LOS ANGELES
	CENTRAL	SFV	WESTERN	HARBOR	
1970	\$23,900	\$30,800	\$47,300	\$24,400	\$30,100
1971	27,500	31,400	48,700	25,600	32,400
1972	29,800	33,100	52,400	27,600	35,000
1973	31,400	35,600	58,900	29,700	37,600
1974	35,000	39,100	66,300	33,900	41,000
1975	36,000	42,300	77,300	37,100	44,800
1976	43,500	48,200	82,100	42,800	51,100

SOURCE: HOUSING PRICE TRENDS IN CITY OF LOS ANGELES 1975-1976.
Community Analysis and Planning Division, Los Angeles
City Community Development Department, 1977.

FIGURE 4

Comparison of 1977

Family Income and Affordable Price of New Homes



Note: New homes include single-family dwelling and condominium.
Affordable housing is assumed to be two and one-half times a family's annual income.

Sources: New Home Price - Real Estate and Construction Report, Fourth Quarter 1977

Family Income - 1977 Population, Employment and Housing Survey, Los Angeles
Community Development Department

TABLE 13

INADEQUATELY SHELTERED HOUSEHOLDS
BY GEOGRAPHIC AREAS, 1977

GEOGRAPHIC AREAS

	CENTRAL	S.F.V.	WESTERN	HARBOR	CITY OF LOS ANGELES
Total Units	559,578	360,729	167,413	51,411	1,139,131
Occupied Units	539,676	355,722	165,531	50,264	1,111,213
Overcrowded Units					
1.01+ person/units	64,485	16,976	7,630	6,904	96,528
1.51+ person/unit	27,096	5,315	2,886	2,032	37,621
Units Rent/Income 25%	171,911	73,931	46,132	11,455	303,203
Estimated Substandard Units ¹	67,556	4,488	4,173	2,520	78,737
% of Total Units	11.9	1.1	2.5	4.8	6.8

SOURCE/NOTES: 1977 Population Employment and Housing Survey, Community Analysis and Planning Division Los Angeles City Community Development Department. 1979-80 Housing Assistance Plan of the Housing and Community Development Block Grant. The number of substandard units is taken from Table 1 of the Housing Assistance Plan. The distribution of these units to geographic areas is proportional to the distribution of units valued at less than \$4.00 per square foot as derived from the 1978 Land Use Planning and Management System.

TABLE 14
HOUSEHOLDS NEEDING ASSISTANCE 1977
CITY OF LOS ANGELES

	TOTAL	ALL HOUSEHOLDS ELDERLY & HANDICAPPED	SMALL	LARGE	TOTAL	MINORITY SMALL	HOUSEHOLDS LARGE	FEMALE HEADED HOUSEHOLDS
OWNERS	92,924	60,862	21,967	10,095	37,021	8,691	2,052	40,705
RENTER	286,524	96,031	159,361	31,132	150,698	91,058	26,798	148,427
TOTAL	279,448	156,893	181,328	41,227	187,716	99,749	28,850	182,132

SOURCE: 1979-80 HOUSING ASSISTANCE PLAN, 1979-80 HOUSING COMMUNITY DEVELOPMENT BLOCK GRANT APPLICATION.

4) Special Needs

The exhibits from the Housing Assistance Plan show the special housing needs of Los Angeles' minority, elderly, large family, and handicapped households. Table 14 shows the status of households in need divided into three categories: elderly and handicapped, female-headed, and minority. Exhibits 2, 3, 4, and 5 in Appendix E show the various types of housing assistance proposed for lower-income households in the 1979-80 Housing and Community Development Block Grant.

3. Projected Housing Need, 1977-2000

Assessment of housing need takes into account a variety of interrelated factors of population and housing. Demand is forecast by projections of demographic data, resulting in estimates of household formation. Comparison of the total number of future households with the current stock of houses permits derivation of a figure, designated "Housing Need", which indicates the number of additional housing units that must be available in the City at specific intervals in the future. Housing need also has been calculated for each of the four major geographic areas and presented on Table 16. The expected number of housing units in the City of Los Angeles by the year 2000 will be about 1,306,300, representing an increase of about 12.8 percent over the number recorded in the 1977 Special Census, undertaken by the City.

a. Population Growth

The Planning Department has used a Population Projection Model to forecast population growth. This model is an age-sex cohort model that divides the population into five-year age groups and is then aged five years (those persons aged 5-9 in 1970 are 10-14 in 1975). The population is adjusted by the forecasted age-specific death rates available from the Bureau of Census and assumed migration rates. The newborn population is derived by applying the forecasted age-specific birth rates to the appropriate female population.

The use of this model, however, requires an accurate base population. Such accuracy is not thought to be reflected in the 1970 Census because of a general problem of undercounting and the acute local problem of a sizeable "hidden population" comprised of transients and undocumented aliens. (See Appendix C for a discussion of undocumented aliens.) Thus, a Census Bureau Methodology (See Appendix B) is used, which permits estimation of the undercounted population and upward revision of the total population.

Listed in Table 15 are the population totals for 1970 and 1977, and five-year forecasts from 1985 to the year 2000, which were derived from the model.

-
- (1) Research and Economics Department, California Association of Realtors, September 1978.
- (2) Residential Research Report, Wilbur McKan and Associates, December 1978.

TABLE 15*
POPULATION FORECAST STATISTICS

<u>Year</u>	<u>Total Population</u>
1970	2,936,753*
1977	2,905,000
1985	3,036,800
1990	3,103,600
1995	3,156,000
2000	3,191,100

* Table 35, in Appendix C, includes population figures with undocumented aliens through the year 2000.

TABLE 16

POPULATION AND HOUSING, 1970-2000

1976 PLANNING AREA	70 POP W/UNCNT	1990 POP	1995 POP	2000 POP	1970 HOUS	2000 HOUS
BOYLE HEIGHTS	81,919	79,211	80,341	81,182	21,932	26,600
CENTRAL CITY	18,729	28,189	28,803	29,209	9,551	19,500
HOLLYWOOD	161,396	180,218	181,787	182,850	85,836	108,100
N. & E. CENTRAL CITY	9,126	14,544	14,624	14,678	1,975	2,800
NORTHEAST LOS ANGELES	193,696	194,233	197,408	199,802	64,336	68,700
S. CENTRAL LOS ANGELES	236,183	212,523	214,202	215,221	80,207	83,000
SILVER LAKE-ECHO PARK	70,193	76,785	77,387	77,785	27,692	35,800
SOUTHEAST LOS ANGELES	200,892	173,129	174,153	174,762	64,707	59,800
W.ADAMS-LEIMERT-BALDWIN H	170,217	149,852	153,001	155,140	64,695	64,200
WESTLAKE	71,119	80,118	80,830	81,348	37,553	47,000
WILSHIRE	202,669	224,818	227,153	228,830	100,967	125,100
CENTRAL GEOGRAPHIC TOTAL	1,416,139	1,413,620	1,429,689	1,440,807	559,451	640,600
ARLETA-PACOIMA	66,647	62,524	63,587	64,288	16,673	20,500
CANOGA PARK-WINNETKA-W.H.	133,968	160,883	164,556	167,851	38,295	57,300
CHATSWORTH-PORTER RANCH	47,911	88,137	91,393	93,026	13,765	31,900
ENCINO-TARZANA	60,408	80,158	82,153	83,789	19,663	32,600
GRANADA HILLS-KNOLLWOOD	59,812	62,310	63,525	64,427	16,093	21,800
MISSION HILLS-P.C.-SEPUL.	73,536	81,742	83,184	84,485	23,598	31,500
NORTH HOLLYWOOD	92,465	95,699	97,217	98,250	38,091	46,900
NORTHRIDGE	51,939	57,735	59,799	60,522	14,543	20,800
RESEDA-WEST VAN NUYS	80,835	86,530	89,227	90,405	25,260	32,900
SHERMAN OAKS-STUDIO CITY	70,268	73,822	75,718	76,588	30,833	39,400
SUN VALLEY	61,240	75,962	77,678	78,359	18,082	24,100
SUNLAND-TUJUNGA-S.H.-L.T.	47,786	52,870	54,021	56,207	14,828	19,600
SYLMAR	41,699	45,856	46,718	47,317	11,182	15,000
VAN NUYS-NO. SHERMAN OAKS	105,739	110,660	112,567	114,007	41,779	52,100
S.F. VAL. GEOGRAPHIC TOTAL	994,253	1,134,888	1,161,343	1,179,521	322,685	446,400
BEL AIR-BEVERLY CREST	18,090	19,818	19,912	20,018	6,479	8,800
BRENTWOOD-PACIFIC PAL.	54,928	58,552	59,652	60,324	21,036	28,800
PALMS-MAR VISTA-DEL REY	97,600	99,627	101,313	102,574	37,390	47,800
VENICE	37,620	45,466	46,191	46,751	15,466	21,600
WESTCHESTER-PLAYA DEL REY	55,413	51,121	52,171	52,861	19,468	25,900
WESTWOOD	34,595	41,897	42,696	42,219	14,050	22,100
WLA-CENTURY CTY-RANCHO PK	67,639	69,232	70,526	71,385	29,957	39,500
WLA GEOGRAPHIC TOTAL	365,885	385,713	392,461	396,132	143,846	194,500
SAN PEDRO	72,973	77,514	78,985	80,002	21,768	26,600
TORRANCE-GARDENA CORRIDOR	33,371	33,552	34,082	34,529	10,178	13,700
WILMINGTON-HARBOR CITY	53,742	58,312	59,428	60,107	16,245	20,300
HARBOR GEOGRAPHIC TOTAL	160,086	169,378	172,495	174,638	48,191	60,600
CITY OF LOS ANGELES*	2,936,363	3,103,599	3,155,988	3,191,098	1,074,173	1,342,100

*Totals do not reflect the population of undocumented aliens. For further information, see Appendix C.

These figures include an estimated 1970 undercounted population of 125,000. Based on certain assumptions, this total population figure could fairly be increased by as much as 400,000 as an indication of the number of undocumented aliens in the City. Total population figures for subsequent years then could be revised upward to indicate proportionate increases of the City's undocumented alien population.

There are three principal parameters used to derive these forecasts: birth rate, death rate, and in- and out-migration. Both the birth rate and the death rate, as noted, are calculated by the Census Bureau. The death rate has been relatively constant. The Planning Department has employed the series "E" birth rate, which is replacement population only, at a rate of 2.11 children per child-bearing female. The major unknown is the migration factor, i.e. the net number of persons entering or leaving the City. The migration assumptions that have been employed in the above forecasts are a net out-migration of 120,000 between 1970-80 and a net zero migration between 1980-2000.

These assumptions have been based on existing population trends throughout the Nation. The migration assumption, in particular, is made in light of the current known out-migration for the Los Angeles County. This, however, is somewhat offset by heavy recent foreign immigration into Los Angeles. It has been assumed that improved economic conditions, transportation, and housing facilities will cause the net out-migration to decline over time to the forecasted net zero migration.

After the population projections, by five-year intervals between 1985 through 2000 were completed, the population total for each year was allocated to the City's 35 planning areas. Assumptions, such as past growth trends and future planned land use patterns, were evaluated for each planning area to determine the future population in each of the City's 35 subareas. During the population allocation process, however, only three points in time, 1990, 1995, and 2000, were considered in distributing future population to the 35 planning areas. The result of the allocations to the 35 planning areas is displayed on Table 16, along with the 1970 unit counts and year 2000 housing projections.

b. Forecasted Household Formation

To identify the total household population, the number of persons residing in group quarters must be subtracted from the population totals. Population in group quarters is defined by the Census Bureau as those persons not living in ordinary household arrangements. Examples include mental hospitals, homes for the aged, prisons, dormitories, or military barracks. Since 1940 the percentage of persons living in group quarters has been erratically declining.

It is anticipated that there will be some minimal growth in dormitory residents with the expansion of local university facilities. However, it is expected that this will be somewhat offset by the elimination of the few remaining large military installations. Therefore, a declining percentage of the population has been forecast for group quarter arrangements. It is estimated that the number of persons in group quarters will remain constant at approximately 64,000 until the year 2000.

The subtraction of persons in group quarters from the total population yields the total household population. These calculations have been made to derive the household population figures shown in Table 17. The number of housing units is calculated by dividing the household population by the average size of households. In the past thirty years there has been a decline in average household size.

TABLE 17
CENSUS HOUSEHOLD SIZE, 1940-1970

<u>Year</u>	<u>Persons per Household</u>
1940	2.92
1950	2.82
1960	2.77
1970	2.80

The Bureau of the Census and other agencies that monitor demographic trends expect this decrease to continue. Currently families include fewer children, divorce rates are increasing, and couples are marrying at an older age. All of these factors contribute to this trend. What will happen in Los Angeles cannot, of course, be known. However, in the past, it has tended to follow the national trend. Table 17 illustrates this trend of decreasing household size. The average household size and the total household population were used to derive the forecasted need for housing units from 1977 to 2000.

c. Projected Housing Need

Table 18 displays a summary of projected population and housing from 1985 to 2000 at five-year intervals. An analysis of the current and future housing need for the City of Los Angeles also is presented.

To forecast housing needs the projected number of housing units must be compared to the existing habitable housing stock. This comparison was made for the 1977-1985 period and for each five-year period from 1985 through 2000. Line J shows the number of units needed in each projected period. Housing need for each period is calculated simply by subtracting projected total housing (Line D) from the previous period. There was a housing deficit of 14,000 units in 1977, which was computed on Table 19 and classified as substandard. The total 1977 habitable housing units of 1,125,100 (Line I) was calculated by subtracting 9,300 substandard units not suitable for rehabilitation from the total estimated housing stock of 1,139,100 (Line D). Line K is a cumulative total for the projected four periods plus the existing need in 1977.

The number of persons projected to reside in households (Line C) is determined by subtracting the projected number of persons in group quarters (Line B) from the projected total population (Line D). The total number of projected dwelling units (Line D) is computed by dividing the number of occupied housing units (Line G) by a factor of .976 or an assumed vacancy rate of 2.40 percent for the years 1985, 1990, 1995, and 2000. Based on these assumptions, the total number of units needed Citywide for 1977 through the year 2000 is forecast at 212,300 units.

TABLE 18
CITY OF LOS ANGELES
POPULATION PROJECTION AND ASSESSMENT OF FUTURE HOUSING NEEDS

<u>LINE</u>	<u>1970</u>	<u>1977</u>	<u>1985</u>	<u>1990</u>	<u>1995</u>	<u>2000</u>
A. Population*	2,936,753	2,906,600	3,036,800	3,103,600	3,156,000	3,191,100
B. Grp. Qtr. Pop.	67,800	64,000	64,000	64,000	64,000	64,000
C. Household Pop.	2,868,953	2,841,600	2,972,800	3,039,600	3,092,000	3,127,100
D. Housing	1,074,173	1,139,100	1,251,700	1,279,800	1,315,500	1,342,100
E. Vacant Units	49,300	27,900	62,600	64,000	65,800	67,100
F. (% Vacant)	(4.59)	(2.45)	(5.00)	(5.00)	(5.00)	(5.00)
G. Occ. Housing	1,024,873	1,111,200	1,189,100	1,215,800	1,249,700	1,275,000
H. (Pop./Household)	(2.80)	(2.56)	(2.50)	(2.50)	(2.47)	(2.45)
I. 1977 Habitable Units		1,129,800	1,129,800	1,129,800	1,129,800	1,129,800
J. Units Needed in Each Period		112,600	28,100	35,700	26,600	
K. Cumulative Units Needed		9,300	121,900	150,000	185,700	212,300

*Totals do not reflect the population of undocumented aliens. For further information, see Appendix C.

TABLE 19
EMPLOYMENT PROJECTIONS
(in 1,000's)

	AG	MIN	CON	MNF	TRN	WHO	RET	FIN	SER	GOVT	TOTAL
<u>LA COUNTY</u>											
1970	27	118	140	850	199	207	493	184	887	162	3,161
1980	25	95	102	814	210	235	571	229	1,115	173	3,485
1990	23	77	76	737	223	258	616	248	1,298	191	3,679
90 Change	-19	-35	-46	-13	12	25	25	35	46	18	16
<u>LA CITY</u>											
1970	9	5	59	348	112	107	199	108	410	90	1,445
1980	9	4	44	327	118	117	210	121	470	96	1,516
1990	8	3	34	299	125	126	213	124	520	107	1,560
90 Change	-8	-35	-42	-14	11	18	7	15	27	20	8

TABLE 20
COMMUNITY PLANS POPULATION AND CAPACITIES¹
GENERAL PLAN AND ZONING CODE CONSISTENCY PROGRAM
LOS ANGELES CITY
MARCH 1979

Community Plan	1970 Population	1977 Projection	2000 Population Projection	Existing Zoning Capacity	Plan Capacity	Population Potential to be removed by Density Adjustment
CENTRAL						
Boyle Heights	81,919	82,975	81,182	139,900	87,900	52,000
Central City	18,729	18,884	29,209	14,900	41,400	-26,500
Hollywood	161,396	183,164	182,850	628,600	250,500	378,100
Central City North	9,126	14,633	14,678	23,000	13,700	9,300
NE Los Angeles	193,696	194,842	199,802	462,000	266,400	195,600
Silverlake & Echo Park	70,193	80,836	77,785	206,800	90,000	116,800
South Central L.A.	236,183	227,225	215,221	344,400	237,000	107,400
Southeast L.A.	200,892	183,400	174,221	378,000	211,000	167,000
West Adams	170,217	162,386	153,001	432,500	249,300	183,200
Westlake	71,119	83,939	80,830	187,400	88,700	98,700
Wilshire	202,669	225,802	227,153	415,600	236,300	179,300
TOTAL CENTRAL AREA	1,416,139	1,458,086	1,440,807	3,233,100	1,772,200	1,460,900
SAN FERNANDO VALLEY						
Chatsworth	47,911	62,972	93,026	97,000	116,300	-19,300
Canoga Park	133,968	129,548	167,851	242,000	193,000	49,000
Encino	60,408	70,959	83,789	112,000	98,500	13,500
Granada Hills	59,812	55,646	64,427	64,000	73,500	13,500
Mission Hills	73,536	78,687	84,485	110,000	109,000	1,000
North Hollywood	92,465	93,267	98,250	241,000	122,700	118,300
Northridge	51,939	53,063	60,522	49,000	63,000	-14,000
Pacoima	66,647	67,587	64,288	80,000	91,500	-11,500
Reseda	80,835	78,788	90,405	157,800	105,800	52,000
Sherman Oaks	70,268	71,533	76,588	220,500	119,000	101,500
Sunland	47,786	46,697	56,207	108,100	63,700	44,400
Sylmar	41,699	42,686	47,317	72,300	74,400	-2,100
Van Nuys	105,739	111,709	114,007	230,000	129,300	100,700
Sun Valley	61,240	62,675	78,359	89,200	78,600	10,600
SAN FERNANDO VALLEY TOTAL	994,253	1,025,817	1,179,521	1,872,900	1,438,300	434,600

Table 20 (Cont'd.)

Community Plan	1970 (1) Population	1977 (1) Projection	2000 (1) Population Projection	Existing Zoning C Capacity	Plan Capacity	Population Po- tential to be removed by Den- sity Adjustment
WEST						
Del Air	18,090	20,439	20,018	82,000	24,700	57,300
Brentwood	54,928	59,086	60,324	112,300	72,700	39,600
Palms	97,600	101,783	102,574	166,000	79,400	34,500
Venice	37,620	39,593	46,751	79,400	60,800	18,600
West L.A. Century Cy	67,639	69,570	71,385	133,000	102,600	30,400
Westchester	55,413	50,028	52,861	106,000	93,000	13,000
Westwood	34,595	38,535	42,219	79,900	65,700	14,200
TOTAL WEST	365,885	379,034	396,132	758,600	551,000	207,600
SOUTH						
San Pedro	72,973	74,445	80,002	240,000	117,000	123,000
Torrance - Gardena	33,371	32,344	34,529	49,300	39,300	10,000
Wilmington-Harbor City	53,742	55,425	60,107	120,800	78,600	42,200
TOTAL SOUTH	160,086	162,214	174,638	410,100	234,900	175,200
CITYWIDE						
CENTRAL	1,416,139	1,458,086	1,440,807	3,233,100	1,772,200	1,460,900
SAN FERNANDO VALLEY	994,253	1,025,817	1,179,521	1,872,900	1,438,300	434,600
WEST	365,885	365,885	379,034	758,600	551,000	207,600
SOUTH	160,086	162,214	174,638	410,100	234,900	175,200
CITYWIDE TOTAL*	2,936,363	3,025,151	3,191,098	6,274,700	3,996,400	2,278,300

1

Population Figures include an estimate of the census undercount.
Prepared by the Los Angeles City Planning Department

*Totals do not reflect the population of undocumented aliens. For further information,
see Appendix C.

The exact distribution of these future units between single-family and multiple-family units will be dependent primarily on the perceptions of the building industry concerning what can be most advantageously built and sold. Market and government constraints will obviously limit the exact mix of future residential units. A disparity will probably continue to exist between the variety of housing types demanded by the market and the ability of the industry to provide the units. Traditionally, the preference for new residences has been the detached single-family home. However, this type of home has comprised only 20% of new construction in recent years. Given the shortage of land suitable for new single-family housing, construction costs, and other socioeconomic conditions, it is likely that new construction will be increasingly unable to meet this traditional demand. Increasingly, future residential developments will be attached housing in the central City or in close-in suburban communities.

d. Growth of Employment Opportunities

The City Planning Department prepared an economic projection in 1977 for the years 1980 and 1990 for ten major employment categories: agriculture-forestry-fishing, mining, construction, manufacturing, transportation-communications-utilities, wholesale trade, retail trade, finance-insurance-real estate, services, and government administration. Information for the City and County of Los Angeles was developed through the use of community plan boundary information. The results of the economic projections are included in Table 19. This table indicates a shifting away from employment in goods-producing industries, such as agriculture, mining, construction, and manufacturing towards service-producing activities, such as services, wholesaling, retailing, and finance. Projections indicate that certain job opportunities will decrease more rapidly within the City than within the County as a whole. Included in this group are retailing, finance, and services. It thus may be inferred that fewer City residents will both live and work in Los Angeles.

The ability of future employment growth to match future work force growth is dependent on changing variables. Through 1980, the work force in Southern California is expected to grow by approximately 2.5%. Current estimates by a major California banking firm project job totals to increase through 1980 to match demand, if no business downturn occurs. It also is estimated that unemployment will average approximately 8.0% during 1980.

e. Housing Site Planning

- 1) Standards for evaluating the suitability of individual sites for market-rate housing are enumerated in the Program Section of this document. Density standards are defined in the glossary section.

- 2) City land use controls, including Concept, Los Angeles; Citywide, Community, and District Plans; and the City's Zoning Ordinance, are discussed in several places in this document. These land use controls are intended to be compatible with the provision of a range of housing opportunity and choice suitable to the needs of all economic segments of the community. Each community plan includes a range of housing types and zoning consistent with the "Centers" concept, which identifies high-density areas of development and lower density residential areas. Community plans incorporate a limited "average" figure for population capacity to permit flexibility of land uses. At present, residentially zoned sites exist for an excess of over three million residents beyond current population. An ongoing rollback program will reduce this excess, but a density reserve of approximately 20% beyond 2000 population will be maintained. See Table 20 for a community breakdown of reserve plan capacity.

The City's infrastructure is essentially in place and is adequately maintained given current fiscal conditions. Long range, systematic City planning for transportation, water and power, drainage, and liquid and solid waste disposal is integrated into various regional planning efforts. Infrastructure planning is predicated upon population and growth projections and is compatible with the provision of a range of housing opportunity and choice suitable to the needs of all economic segments of the community. City service and facilities planning is directly tied to annually revised population figures.

C. Constraints

It has been demonstrated earlier that a substantial housing gap exists in the City of Los Angeles. Significant, coordinated corrective action must continue by both the public and private sectors if housing problems are to be addressed effectively. However, any ameliorative efforts must be preceded by a critical evaluation of existing constraints imposed by the local economy and government agencies. Certain obstacles bear directly on housing supply and demand and are analyzed in the following section. These constraints will vary in importance and complexity through time.

1. Market Constraints

a. Production Problems

Economic conditions will tend to hinder progress toward the goal of adequately housing the population. Real estate costs, both for buildable land and convertible or refurbishable buildings, have risen rapidly, in part because of the rapidly diminishing supply of buildable land in the Los Angeles metropolitan area and the City of Los Angeles. Factors of a national or even international scope, including 10 years of rapid inflation, influence the costs of labor, materials, and financing. In general, increases in these costs have outstripped increases in real household income, thereby causing the housing gap to widen.

As indicated by the following sections on market constraints, the major obstacles to lower priced housing in Los Angeles are delayed processing time, high money rates, and lack of reasonably priced land. These factors have lead to a high cost for new residential units.

As an example of current housing costs and how they could be reduced by various government actions, assume a prototype condominium development @12 d.u./acre.

Prototype Condominium Development*

To develop the prototype condominium development, a twelve-acre development in the City of Los Angeles was analyzed, and actual dollar figures were extrapolated to obtain the probable impact of various incentives and combinations of incentives. These incentives were used, first singularly, then in dual combination, and finally in triple combination. The three incentives, density bonus, interim municipal financing, and land grant were placed in a matrix because of the probability of realization and comparability. In the model cases where developers are contractually bound to certain development incentives, they agree to limit profits to a ten percent level. This amount would be set at the time of approval of a tentative tract map. If subsequent profits are realized in excess of ten percent, the increment would be equally shared between the developer and the low- and moderate-income occupant.

Constants which remain throughout the example, include the following:

- 12 acres at \$100,000/acre
- 1,000 square foot condominiums
- \$26/square foot construction cost
- site improvements \$1,452,000
- marketing \$616,000
- overhead \$550,000

The private market/no incentive illustration reflects an actual development under construction in the City. In addition to the above constants, the following facts exist in the development:

- 18 units/acre totalling 220 units
- interim financing equivalent to six percent of the total project worth, ten percent interest/eighty percent financing, and \$600,000 cash

The density bonus model assumes that the developer is willing to limit profits to ten percent in exchange for an increased number of allowable units. The example of the density bonus without additional incentives does not appear attractive as a development option. Further, priority items, include the following:

- 22 units/acre totalling 266 units
- decreased per unit parking requirements necessary to accommodate increased number of units
- interim financing equivalent to six percent of the total project worth, ten percent interest/eighty percent financing, and \$600,000 cash
- profit limited to ten percent by contract

* Report of the Mayor's Ad Hoc Committee on Housing Production, October 1978.

The municipally financed project again assumes a developer profit ceiling of ten percent. The strong advantage of this model is that with eighty-five percent financing, the requisite cash requirement for the developer approaches zero. Additional items in this example are the following:

- 18 units/acre totalling 220 units
- interim financing equivalent to five percent of the total project worth; seven percent interest/eighty-five percent financing; no cash requirement
- profit limit to ten percent by contract

The land grant model assumes the site to be acquired and turned over to the developer by the City. The developer, however, is not allowed to use the land as collateral for interim financing. The interim financing requirement remains at six percent of the total project worth. It should be noted that if the land is assigned a zero worth, the cost of the unit drops significantly as does the developer profit, which remains as a percentage of the project worth. Assumed items in this model include the following:

- 18 units/acre totalling 220 units
- interim financing equivalent to six percent of the total project worth
- profit limited by contract to ten percent.

The cost of the \$55,000 "hypothetical" house can be reduced through programs recommended in Chapter IV. Specifically, delayed processing time can be reduced by creation of a one-stop counter and filling the position of Housing Expeditor. Financing costs can be reduced by low interest bond funding issued through a municipal housing finance agency and the issuance of local housing bonds through direct land write down for affordable housing. Lack of reasonably priced land can be addressed through density "bonuses" and zoning adjustments, which could provide extra density. Based on the exact mix of incentives used, a reduction of 7-23% is possible. This is illustrated in the tables on pages D-15 and D-16 of the Report to the Mayor, in Appendix D.

1) Land for Future Housing

The City of Los Angeles encompasses an area of approximately 464.7 square miles or 297,400 acres. Of this total, approximately 30% or 87,900 net acres (i.e., excluding streets and highways) are vacant. A superficial appraisal of the vacant land would suggest a very considerable land resource for future residential expansion. Roughly 72% of all vacant land is zoned as agricultural (18,500 acres) or residential (45,100 acres), and 60% of all vacant residential and agricultural land is privately owned.

The seemingly extensive land resource is, in reality, much more limited given the scale of local demand. Much of the publicly owned land zoned for agriculture is devoted to parks, utility easements, and other priority uses. A considerable percentage of all vacant residentially zoned land is in inaccessible, steeply sloping areas in the Santa Monica, Santa Susana, and San Gabriel Mountains or in otherwise marginally suitable areas for residential development. Future development of such areas would depend on costly extensions of access roads and utilities, and, thus, would tend to preclude all but housing for the affluent.

The prospect of developing unbuilt land for critically needed low- and moderate-income housing is problematical because of the continuously diminishing supply of vacant land zoned for multiple residential units. Less than 5,000 vacant acres citywide are in multiple unit residential zones, of which less than 2,500 acres are in private ownership. Such parcels are concentrated in five widely separated community plan areas: Canoga Park-Winnetka-Woodland Hills, Mission Hills-Panorama City-Sepulveda, Silverlake-Echo Park, South Central Los Angeles, and Wilmington-Harbor City. Of the 9,658 parcels of privately owned multiple unit-zoned vacant land, fewer than 250 parcels were of more than one acre in area. City programs have been initiated to assist developers in assembling parcels of suitable scale in response to the decreasing land resources.

The limited supply of suitable vacant land has contributed to rapid escalation of land costs. For example, in 1979 an acre of privately owned vacant land, zoned for single-family residential use costs \$100,000 to 200,000 on the average. The average cost was \$500,000 to 1,000,000 for an acre of vacant, privately owned parcels zoned for multiple residential use in the same year. Land costs have outstripped rates of increase of other housing component costs. In 1977 the National Association of Homebuilders estimated that land costs accounted for 25% of the total cost for producing a single-family house, whereas land costs represented only 11% of the total in 1949.

2) Financing

Aside from the cost and general scarcity of vacant land, builders are confronted by other obstacles related to economic conditions. In general, financing has become costlier and more difficult to arrange. Financing costs now comprise approximately 11% of the total cost of a new single-family house, representing an increase of more than 100% since 1949. The cost of construction reflects increased competition from other sectors of the economy, which offer even greater returns to lending institutions.

The relative shortage of capital has compelled builders to acquire greater expertise in coordinating financing from among several sources. This has become particularly true given the large scale of building projects being undertaken in recent years. Final project financing for major construction and rehabilitation projects requires the expenditure of seed money by builders, which involves an additional financing problem. Seed money is usually expended for start-up fees associated with land options, architectural and engineering consultation, building permits, and insurance. In recent years, long City processing requirements have increased development time and financing costs. However, City efforts are underway to expedite permit processing to minimize costly delays that restrict the supply of available funding and increase total costs of construction.

The unprecedented scale of construction financing has numerous implications. Lenders tend to prefer to finance efficient, low-unit cost construction. City processing delays have restricted some small building firms from participating in the housing industry. The continuing high cost of mortgage money has increased average housing costs and priced out even more eligible buyers.

3) Construction Technology

In contrast to the cost of land and capital, construction costs have been declining relative to the total cost of housing production. Increased labor productivity and adoption of standardized designs, economies of scale, and inexpensive materials have contributed to the diminution. Labor and materials represent less than one-half of the cost of a single-family home today, whereas in 1949 such costs contributed more than two-thirds of the total, according to the National Association of Home Builders.

Efforts will be undertaken to resolve the issues of competing needs of builders and regulators. Numerous builders' groups have explored means of economizing on materials and standards, whereas agencies concerned with regulating construction standards have generally been reluctant to relax existing codes to insure the maintenance of reasonable high quality in the housing stock.

4) Materials and Labor

The availability of adequate amounts of reasonably priced building materials continue to plague residential construction and drive up housing costs. The cyclical nature of housing construction often has caused demand to outpace supply. Recent shortages have occurred in cement, insulation, and wood products. The future of products made from petroleum promises to be problematical. However, labor and materials constitute a smaller percentage of the overall selling price of a home than previously (69% in 1949 vs. 47% in 1977).

The Southern California area has an abundant and well-trained labor force, which can be relied upon to provide the required skills as long as a growing demand continues.

V A C A N T L A N D R E P O R T
City of Los Angeles
Privately Owned Land

ZONE	TOTAL NET PARCEL AREA	<.5	COUNT OF PARCELS BY SIZE IN ACRES			
			.5-1	1-5	5-25	25+
AGRICULTURAL	14,532.24	2,041	715	700	372	114
A1	8,270.85	243	84	165	189	78
A2	1,970.68	408	63	153	62	19
RA	4,290.70	1,390	568	382	121	17
RESIDENTIAL	20,949.24	36,223	1,348	987	274	97
RE	13,052.14	2,997	518	471	187	89
RS	269.08	879	55	51	6	0
R1	4,952.90	20,817	511	313	46	7
RW	18.45	207	2	0	0	0
R2	423.47	3,028	14	19	6	0
RD1.5	36.12	76	20	10	0	0
RD2	62.87	15	11	8	4	0
RD3	457.83	61	8	5	0	1
RD4	30.90	19	4	2	1	0
RD5	5.96	20	2	0	0	0
RD6	26.62	7	1	0	2	0
R3	898.69	4,769	126	65	12	0
R4	575.71	2,936	59	36	7	0
R5	138.43	392	17	7	3	0
COMMERCIAL	1,337.70	6,596	252	96	10	1
LIMITED (CR,C1,C1.5)	51.64	201	24	4	0	0
C2,C4,C5	1,286.05	6,395	228	92	10	1
MANUFACTURING	2,733.09	6,076	202	228	51	13
LIMITED (M1,MR1,MR2)	658.56	1,195	88	77	18	2
LIGHT (M2)	747.89	2,899	69	85	12	0
HEAVY (M3)	1,271.42	1,633	39	59	21	11
COMMERCIAL (CM)	55.21	349	6	7	0	0
PARKING	59.71	133	8	5	0	1
SUBMERGED LAND	0.00	0	0	0	0	0
INVALID	95.08	37	2	8	7	0
TOTAL	39,707.09	51,106	2,527	2,024	714	226

SOURCE: Los Angeles City Planning LUPAMS File, 1978.

The long-term employment picture for construction workers is changing within Los Angeles; fewer future jobs can be expected to be available if construction trends continue their gradual decline within the City.

b. Availability

The housing market traditionally has fallen short of the demand placed upon it by low- and moderate-income households. It has been assumed that compensation for some of the shortfall occurred through a "filtering" process, by which dwellings are passed on to progressively lower income groups. Extreme examples of filtering are found in hundreds of stately Victorian-era houses, which formerly were occupied by single families of considerable means and which now are inhabited by numerous households of very-low income.

There is considerable evidence that the filtering concept is no longer as valid in Los Angeles as it once might have been. The cost of all forms of housing, and particularly single-family housing, has risen so dramatically in the past decade that households of moderate- and medium-income increasingly are purchasing houses that might not have been considered previously. This is particularly true for households making initial home purchases. The ripple effects of this trend narrow housing opportunity for those of lower income. This exacerbates pre-existing problems of employment opportunity, transportation problems, and racial and ethnic discrimination. Additionally, the long-term effects of Proposition 13 on the frequency with which households "trade-up" remain to be seen.

2. Constraints Imposed by Government

a. Development Regulation

- 1) EIR and Other Environmental Considerations. Local efforts have been undertaken to simplify municipal EIR requirements in a legally prudent manner. The City acts in several ways to minimize interruption of the development process incidental to satisfying environmental review procedures. Following environmental assessment, the City selectively requires EIR's only when justified. The 1979 average is only 50% of all cases submitted. Where possible, "focused" EIR's are utilized, which require minimal data. Conditional negative declarations are utilized to overcome specific environmental constraints, thereby satisfying environmental considerations while avoiding unnecessary and time-consuming EIR's. The average EIR processing time is 4-5 months with legal requirements dictating much of this time frame. Currently, efforts are underway to speed up environmental review by staff increases and by expanding some general exemption categories.
- 2) Zoning and Other Land Use Controls. The City has an ongoing program of zoning adjustments designed to bring the zoning ordinance into conformity with the General Plan. This has been accomplished by zone changes accompanying adoption of various Community Plans. The current status of these plans is as follows: Proposed Plan, Pending Adoption by City Council--2, Proposed Plans or Plan Amendments Approved by Planning Commission--6, Proposed Plans and Amendments Pending Approval by the City Planning Commission--3, and Preliminary Plans and Amendments Under Preparation--4. The remainder of the City's 35 Community Plan Areas have adopted plans.

Of the adopted plans, eight are being considered for amendment or revision. The presently accepted excess plan capacity is 15%. Each Community Plan accommodates a range of housing types by ensuring a broad mixture of residential plan uses within each community. The City is committed to a program of zoning adjustments to bring zoning into conformity with adopted community plans.

The City currently has several environmental elements of its General Plan: Noise, Seismic Safety, Safety, Scenic Highway, Open Space, and Conservation. In addition to these elements, the new Recreation Element and slope density regulations establish various reasonable constraints and limitations on the development of new housing in certain environmentally sensitive areas of the City.

- 3) Fees. In response to Mayor's Executive Direction No. 12 (New Series), the City has increased fees to reflect the full cost of the staff time required for processing various applications and permits.
- 4) Permits. The City's construction permit process is protracted and can take approximately two years, depending on the project. In order to streamline the process, an interdepartmental building permit and subdivision processing task force has been established. This task force will provide recommendations for reducing construction permit delays and will report on its findings and recommendations in Spring 1979. It is anticipated that creation of a centralized permit counter will be considered and the position of Housing Expeditor will be established to facilitate processing.
- 5) Dedications and Improvements. The City requires basic on-site and off-site dedications and easements. These requirements are felt to be reasonable and appropriate to require of new development. In addition, the City's Quimby Ordinance, requires dedication of land for park space or provision of cash in lieu of land. The possibility of requiring land dedication for low-cost housing is currently being investigated and is proposed in the program section of this document.
- 6) Building Codes. Changes in the City's Building Codes that would facilitate housing construction are proposed in the program section of this document.

b. Condominium Conversions

One result of the rising costs of housing has been the increase in the number of condominium projects, including both new developments and conversions of existing apartments. The projects are subject to subdivision approval by the City. The conditions of approval are designed to promote livability and safety and can be built into new projects.

Conversions of apartment buildings to condominiums are increasing, with 184 applications representing 11,683 units filed during the calendar year 1977. Problems can arise when buildings not designed for individual ownership are converted to condominiums. Ordinance No. 151,432 effective October 12, 1978, addresses the problems, and has for its purpose "...to provide increased home ownership opportunities for all segments of the population; to mitigate the hardship caused by displacement of tenants, particularly those in low and moderate cost housing and those who are elderly, families with minor dependent children, the handicapped and the disabled; to promote the safety of condominium conversion projects and correction of Building Code violations in such projects; to provide adequate off-street parking; and to generally regulate projects in accordance with applicable general and specific plans and with the public health, safety and welfare."

Renters are given exclusive right of purchase upon conversion, but relocation is often a hardship for tenants who do not purchase their units, especially for the elderly, the handicapped or disabled, families with minor children, and low- and moderate-income households. The ordinance requires that they be given additional time to relocate.

Lack of comparable rental units is a problem wherever vacancy rates are below 3%, as they now are in the four major sub-regions of Los Angeles. Condominium conversions reduce the supply of rental housing, tending to drive up rents, unless the loss is offset by new construction.

The condition of existing buildings is investigated before final map recordation. Some renovation is usually done at the time of conversion. For recently constructed buildings, renovation may be limited to painting. Building inspection reports may be required to indicate the condition and remaining useful life of the roof, foundation, plumbing, and mechanical and structural systems; deficiencies are required to be brought up to code. Inadequate noise insulation between existing units is a particularly difficult problem to correct.

Parking for conversion of apartments built with less parking than is now required, may be a problem. Requirements for each conversion are determined on an individual basis, and the number of spaces are brought up to code wherever possible. Studies in other jurisdictions indicate that automobile ownership in condominiums is slightly higher than in rental projects. In Los Angeles most of the conversions have been in the San Fernando Valley and West Los Angeles. As these areas are not adequately served by mass transit, every effort is made to obtain at least two parking spaces per unit.

The monthly cost of owning a converted unit is usually substantially higher than renting, as a result of property improvements, interim financing, legal and engineering fees, marketing, profits to the converter, unit financing charges, and association dues for maintenance and management. Assessed valuation also rises, which increases property taxes. These costs make it impossible for low-income persons and many elderly to purchase.

Continued inflation and long-term ownership benefits, such as tax deductions, equity build-up, and appreciation in property value, tend to offset short-term costs. Condominiums provide a hedge against inflation, and their minimal maintenance responsibilities make them attractive to one-person or two-career households, older households, and others at lower than new construction costs. In addition, builders are given incentives to construct more apartment units for those unable to purchase condominiums.

From the City's point of view, condominium conversions increase assessed values and property taxes. They extend the useful life of deteriorating rental projects. Condominiums do not, however, contribute to the supply of low- and moderate-income housing. Conversions may, in fact, impinge severely on available rental housing, thereby exacerbating the rental housing supply.

c. Rent Control

Rapidly increasing property values, combined with an extremely low vacancy rate, have combined to increase the cost of rental housing. A temporary rent stabilization measure has been enacted by the City Council. The long-term solution lies with expanded housing production to alleviate the conditions that cause rent control.

d. Seismic Safety

Regulations requiring strengthening or demolition of unreinforced masonry buildings could have a potentially severe impact on the City's supply of housing. Over 31,000 apartment units and 17,000 hotel and rooming house units do not meet the City's current Building Code. The potential impacts of these regulations are being investigated by the Building and Safety Department; alternative solutions will be evaluated to correct this problem.

III. CITY ACTIONS TO PRESERVE HOUSING AND AFFORDABILITY

The agencies discussed below are those with the primary responsibility to preserve housing and enhance its affordability in Los Angeles. The activities of these agencies are described in this section and in Chapter IV, the program section of this document.

A. Community Redevelopment Agency (CRA)

The Community Redevelopment Agency has, among its major goals, the production of newly constructed housing units in designated redevelopment areas, especially for residents with low or moderate incomes, and the production of rehabilitated housing units in certain of its project areas.

1. New Housing Construction

The Agency, from the start of residential construction in its project areas in 1967 to January 1, 1979, has dealt with nearly 8,000 new housing units in progressive stages of production. As of January 1, 1979, the Agency produced 2,840 completed new housing units, had 1,347 new units under construction and was negotiating for the construction of an additional 3,669 new units. All of these 7,856 units have been, or are to be, produced in the Agency's redevelopment project areas, with the exception of 200 units which are being produced outside CRA project areas in association with the City Housing Authority.

The Agency has broad powers to acquire and prepare land for housing construction, to finance and build housing units as a developer itself, to finance the construction of housing units to replace deteriorated units removed from blighted project areas, and to sell or lease land for residential construction to other public developers or to private developers. Private developers may finance and build regular market-rate housing, or may seek governmental subsidy assistance for the construction of privately owned/publicly assisted units for occupancy by low- or moderate-income residents. Public developers may construct publicly owned housing or they may assist in the construction of privately owned units for occupancy by limited income residents.

Of the 2,840 new units completed by January 1, 1979, 1,720 or 60 percent were produced for residents with low or moderate incomes. Of the 1,347 new units under construction on that date, 1,012 or 75 percent were being built for low- or moderate-income residents. Because of the strong demand for affordable housing, a further increase in the percentage of low-/moderate-income housing units constructed would be helpful.

The following two tables summarize the status of the Agency's new housing production as of January 1, 1979.

TABLE 22
NEW HOUSING CONSTRUCTION
COMMUNITY REDEVELOPMENT AGENCY

January 1, 1979

Project	Total	Completed		Under Construction		Under Negotiation	
		No.	% of Total	No.	% of Total	No.	% of Total
Bunker Hill	2,640	715	27	901	34	1,024	39
Hoover	1,169	1,066	91	-	-	103	9
Beacon Street	293	293	100	-	-	-	-
Little Tokyo	401	301	75	-	-	100	25
Watts	458	294	64	104	23	60	13
Pico Union I	312	64	20	115	37	133	43
Pico Union II	40	-	-	-	-	40	100
Normandie/5	230	59	26	-	-	171	74
Monterey Hills	1,593	48	3	195	12	1,350	85
Central Business District	270	-	-	-	-	270	100
Chinatown (in planning)	<u>250</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>250</u>	<u>100</u>
PROJECT TOTALS	7,656	2,840	37	1,315	17	3,501	46
Outside CRA Project Areas (with CHA)	<u>200</u>	<u>-</u>	<u>-</u>	<u>32</u>	<u>16</u>	<u>168</u>	<u>84</u>
COMBINED TOTALS	7,856	2,840	36	1,347	17	3,669	47

The following table summarizes the CRA's efforts to provide housing for low and moderate income families.

TABLE 23
NEW HOUSING UNITS COMPLETED OR UNDER CONSTRUCTION
FOR
RESIDENTS WITH LOW OR MODERATE INCOMES

January 1, 1979

	Completed	Under Construction	Total Completed & Under Construction
All Units	2,840	1,347	4,187
L/M Income Units	1,720	1,012	2,732
Percentage L/M	60%	75%	65%

2. Residential Rehabilitation

The Agency began its residential rehabilitation operations in October, 1969, when the City Council authorized the 210-acre Normandie/5 Redevelopment Project in a declining inner-city neighborhood with approximately 1,500 dwelling units, most of them single-family homes. As of January 1, 1979, 521 of these units had been rehabilitated, and work was under way on 31 units.

The start of this project was followed in early 1970 by the start of the 155-acre Pico Union I Redevelopment Project in an inner-city neighborhood with many multi-unit residential structures. By January 1, 1979, rehabilitation had been completed on 762 of the approximately 1,800 residential units in the area.

In late 1976, the City Council authorized the Pico Union II Redevelopment Project in a 227-acre neighborhood with approximately 3,800 residential units adjoining the Pico Union I area. As of January 1, 1979, the rehabilitation of 184 units in the Pico Union II area had been completed; work was under way on 436 units.

To achieve its residential rehabilitation objectives in these project areas, the Agency works with neighborhood citizen committees to encourage property owners to invest their own funds to upgrade their properties or take advantage of a variety of financial aids either provided directly by the Agency or by the Federal government through the administrative assistance of the CRA.

At the suggestion of the Agency, the City Council in late 1975 authorized a new program for the conservation of housing units in the City. Operations under this program, the Neighborhood Conservation Program, began in six neighborhoods under Agency administration early in 1976. After the program was well established, it was transferred in May 1978 to the City Department of Community Development for use in widespread districts of the city. By that time, rehabilitation had been completed on 478 units and was under way on 284 units, producing a total of 762 rehabilitated units.

As of January 1, 1979, the Agency was approaching a major expansion of its residential rehabilitation operations in proposed project areas in the North Hollywood, Chinatown, and Adams/Normandie districts, for which redevelopment plans emphasizing residential rehabilitation were scheduled for consideration and possible approval by the City Council. The Agency also was engaged at this time, at the request of the City Council, in the examination of the Mt. Pleasant district in East Los Angeles and the Temple/Beaudry district northwest of the downtown area to determine whether revitalization programs, with emphasis on residential rehabilitation, should be started in these neighborhoods.

Table 24 summarizes the status of Agency residential rehabilitation operations through January 1, 1979.

TABLE 24
STATUS OF RESIDENTIAL REHABILITATION

January 1, 1979

Project	Units Completed	Units Under Rehab. Construction	Total Units Completed & Under Rehab. Construction
Normandie/5	521	31	552
Pico Union I	762	54	816
Pico Union II	184	436	620
Neighborhood Conservation Program	<u>762 *</u>	<u>-</u>	<u>762</u>
TOTALS	2,229	521	2,750

B. City Housing Authority (CHA)

The City Housing Authority has the responsibility to provide decent, safe, and sanitary housing at a rental rate that low-income households can afford. Various residential units are maintained, and a location service for needy households is provided. This agency presently maintains 21 low-rent housing developments in the City with 8,206 rental units. In addition, the City Housing Authority currently provides 3,221 leased rental units funded through the HUD Section 23 Leased Housing Program, and provides 11,505 rent subsidized units funded through the HUD Section 8 Housing Assistance Payments Program. These rental units are categorized as housing for families and special housing for the elderly and are listed in Table 25.

* 478 completed before NCP was transferred to City Department of Community Development in May 1978, and 284 after the transfer.

TABLE 25

UNITS UNDER CITY HOUSING AUTHORITY MANAGEMENT

December 31, 1978

Units in Conventional Housing Projects:

Families	7,472 units	
Seniors	<u>734 units</u>	
Total in Projects	-----	8,206 units

Section 23, Leased Rental Units:Families

existing housing	514 units	
new units	<u>285 units</u>	
Total Family Units	-----	799 units

Seniors

existing housing	1,456 units	
new units	966 units	
Total Senior Units	-----	2,422 units
Total Section 23, Leased Rental Units	-----	3,221

Section 8 - Housing Assistance Payments ProgramFamilies

existing housing	5,525 units	
new construction	-0-	
Total Family Units	-----	5,525

Elderly

existing housing	5,980	
new construction	1,317	
Total Elderly Units	-----	7,297

Total Section 8, Rental Units	-----	<u>11,505</u>
-------------------------------	-------	---------------

TOTAL UNITS IN CITY HOUSING INVENTORY		24,943
---------------------------------------	--	--------

Families	13,920 units
Elderly	11,023 units

C. Building and Safety Code Enforcement

As is the case with rehabilitation, the Systematic Housing Code Compliance Program of the Department of Building and Safety does not add to the supply of housing. Its objective is to arrest blight and conserve the existing housing stock, eliminating conditions detrimental to the public health and safety. Only relatively minor violations are cited. This program is not intended to bring older dwellings into full compliance with the latest code. Typical corrective actions might involve a few hundred dollars, as against thousands for "rehabilitation". Code inspection does involve discretionary evaluation of building quality.

Accomplishments of the Program since its inception in 1968 are summarized briefly in the following table:

TABLE 26
CODE ENFORCEMENT PROGRAM
TOTAL DWELLING UNITS

	<u>FY 76-77</u>	<u>FY 77-78</u>	<u>Total Program to FY 1968-78</u>
Inspected	24,214	23,796	398,212
Notices written	12,239	12,279	165,276
Work completed	8,166	10,081	137,381
D. U. demolished	529	528	7,423

By the end of the 1978-79 Fiscal year, the number of dwelling units inspected should total 420,000 (out of 1.13 million dwelling units) for an average of 42,200 units per year since program inception. All four of the Central City code enforcement areas have experienced overall net losses in total dwelling units, while the Central-West Valley and the Santa Monica Mountain areas showed the greatest increase. Overall Citywide figures show that 80% of the new units constructed were apartments. However, the rate of apartment construction has slowed recently because of such factors as high costs, capital shortages, and uncertainty of future marketing conditions.

D. Community Development Department (CDD)

The Community Development Department participates in Federal, State, and locally financed housing and socio-economic assistance programs. The primary functions are to coordinate and assimilate the information of various City Departments and other agencies for the Housing and Community Development (HCD) Program; to initiate and maintain the Citizen Advisory Committees in each project area in which a Housing and Urban Development (HUD) assisted program is in process; and to propose and monitor housing programs and all related community development activities, including recreation, as well as social, economic, and environmental activities. Responsibility for the preparation of the Housing and Community Development (HCD) grant application and the Housing Assistant Plan (HAP) reside with the Community Development Department.

1. Housing Division

The Housing Division has the responsibility for the initiation, administration, and operation of certain housing programs for the City and provides information for development of the City's Housing and Community Development Application. Based on studies supplied by various City agencies, the Housing Division develops housing program packages to meet identified needs. The housing programs become part of the City's Housing Assistance Plan required each year under the HCD application. The Housing Division also recommends funding and implementation packages for these programs.

This Division also currently operates the HOME Program, MORE Program, Housing Production Program, CARE Program, Hollywood NSA, and subcontracts Development Projects, Handyman Program, and Housing Services. In addition, the Housing Division carries out the review of all federally- or State-assisted housing developments in the City. This review as outlined in the Housing Assistance Plan, encompasses criteria on site characteristics, neighborhood environment, and accessibility to vital services. In 1978, 111 reviews were completed by the Housing Division.

2. Community Analysis and Planning Division (CAP)

The Community Analysis and Planning Division (CAP) is responsible for the identification and monitoring of those physical, economic, and social forces that contribute to obsolescence and blight in the City. In addition, CAP assists in the analysis of program recommendations by supplying relevant data and developing evaluation methodologies for City programs. CAP also serves as both a staff and implementing agency within the Community Development Department.

E. Current Housing Program Summary

A great variety of Federal and State housing programs exist to serve City residents. The following list of programs summarizes all housing programs which are current. Federal and State programs are the responsibility of the Community Development Department and the Housing Authority. The third type of housing programs, local programs, are the responsibility of the Community Development Department. Funding for local housing programs comes from an annual block grant award to the City from the U.S. Department of Housing and Urban Development.

1. Federal Housing Programs

a. Public Housing/Conventional Housing/Low-Income Housing

Description:

These three titles describe the housing that was created as a result of the Housing Act of 1937, which was a program to help public agencies provide decent, safe, and sanitary housing for low-income families at affordable rents. All public housing projects in the City of Los Angeles are administered by the City Housing Authority.

Financial and technical assistance is provided by HUD to local housing authorities to plan, build and/or acquire, own, and operate low-rent public housing projects. Federal annual contributions are made to cover the debt service on the Los Angeles Housing Authority's bonds sold to pay for the development or acquisition of public housing. HUD's financial assistance is also provided in the form of preliminary loans to the Authority for planning and annual contributions subsidies. Recently, Block Grant assistance has been provided for rehabilitation, lighting, and recreation improvements at several City Housing Authority project sites.

Status:

The City's conventional housing program encompasses 21 separate developments with a total of 8,609 dwelling units and a population of approximately 34,000 low-income families, senior citizens, and disabled and handicapped persons. No building is more than three stories high. Developments are located throughout the City from the Harbor to San Fernando Valley and range in size from the 100-unit Rose Hill Courts to the 1110-unit Nickerson Gardens. All 21 developments were built between 1941 and 1955.

"Conventional" units were constructed by the City Housing Authority, which owns, manages, and maintains them. Most developments are located close to schools, churches, playgrounds, and other important community services. Most offer child day care, recreation facilities, and scheduled health care for children and expectant mothers, either on-site or close by. Management and maintenance are both on-site. Rent paid by the resident is based on income rather than on apartment size. Each unit offers a living room, dining area, kitchen with refrigerator and stove, private bathroom, and from one to five bedrooms.

The Housing Authority has recently received an allocation for 300 new units of family and large family public housing. These units are not yet under construction, but they will be located throughout Los Angeles subject to the limitation of five units per site because Article 34 of the California Constitution requires referendum approval for construction of larger family housing projects.

b. Section 8

Existing - Section 8

Description:

Section 8 Existing Housing provides rent subsidies for low- and moderate-income families. The existing program is administered by the Housing Authority. This is a direct subsidy by City Housing Authority to an owner for that portion of rent which the tenant is not required to pay. The subsidies vary depending on family size and income. Housing units to be subsidized must meet specific cost and living standards. Those guidelines place a ceiling of 25% of net family income on the amount of money each applicant may pay for housing. Thirty percent of those tenants utilizing this program must qualify as low-income residents.

The Housing Authority has contracted with HUD to take applications and certify applicants Citywide for this program. Following certification, each approved applicant will then be responsible for finding housing within a set of approved rent guidelines.

Status:

As of December 1978, a total of 11,505 existing Section 8 units have been authorized for the City of Los Angeles to date, not counting Section 23 set-asides. Of these 5,980 are designated for the elderly, 4,762 are for moderate-sized families, and 763 for large families. (See Exhibit 5.)

New - Section 8

Description:

The second type of Section 8 assistance is for new construction of rental structures, which is available to private owners or private owners represented by public housing agencies. Preference is given to those owners willing to construct multi-family units of three or more bedrooms. There presently is a total of 4,757 new Section 8 units in the City of Los Angeles. In addition, 7,105 units of old Section 23 units have been converted to Section 8 through HUD's "Set Aside" program.

Status:

As of December 1978, a total of 3,644 new Section 8 units have been authorized for the City of Los Angeles directly from HUD. Of these 2,920 are earmarked for the elderly, 429 for families, and 295 for large families. Another 1,113 new Section 8 units have been authorized through CHFA (California Housing Finance Agency). (See Exhibit 5, Appendix E).

Area HUD advertised in January 1979 for 1,189 additional Section 8 new units. Two hundred sixty-four have been identified for the elderly, with the remaining 925 to be divided between families and large families. CHFA should be receiving more new family units this year.

HUD also contracts with public agencies to provide Section 8 housing. As of December 1978, a total of 58 new family units were allocated to public housing projects run by the Housing Authority of the City of Los Angeles. Of the Housing Authority's approximately 27,000 current unit allocations, 14,101, or more than half, can be found in its Section 8 New/Existing Housing Assistance Payments Program. While this is the largest single HAP allocation in the United States, it should be noted that not everyone certified for Section 8 rent subsidies actually receives one. There is a shortage of 3, 4, and 5 bedroom units participating in the program. The demand and eligibility for this kind of aid is indicated by the more than 40,000 completed applications on file when the HAP Management Control Center stopped accepting them during the spring of 1977.

Land Purchase/Option Revolving Fund

The Grants, Housing and Community Development Committee of the City Council has approved the establishment of a revolving fund to be used by the Housing Authority of the City of Los Angeles to option or purchase land for Section 8 or Public Housing Units. This \$1.5 million revolving fund will be used by the Housing Authority to hold property while HUD processes the review and approval of the Section 8 or Public Housing site. After HUD approval, the City is repaid through the HUD Contract, and the money can be reused to secure another property. The Housing Authority currently has authorization for 1,000 family dwelling units that will make use of this revolving land fund.

Section 8 - Private Developer Land Writedown Program

The Grants, Housing and Community Development Committee of the City Council has approved the creation of a Section 8 - Private Developer Land Writedown fund. The City of Los Angeles currently is authorized for 925 units of Section 8 Family New Construction. HUD has received proposals for about 250 of these units and currently is reviewing the proposals for approval. The remaining 675 units, however, would have been lost without the creation of the land writedown fund. Current HUD rents do not take the high land costs of Los Angeles into account. Therefore, the City has established a land writedown fund of \$2.0 million to subsidize land purchases for the private development of these Section 8 family units, which otherwise would have been approvable by HUD, except for the excessive land costs. It is estimated that an average subsidy of \$5,000 per unit will be required. Thus, an additional 400-family units will be assisted through this effort.

SCAG Bonus Units

The Regional Agency, by having an approved Areawide Housing Opportunity Plan (AHOP), was eligible for bonus Section 8 housing and supportive HCDBG funding. The City of Los Angeles applied for and received approval for 160 units of elderly Section 8 New Construction and 115 units of family Section 8 New Construction. The elderly projects will be located in Hollywood; family projects are sited in Marina del Rey, Sylmar, Monterey Hills, and West Adams.

c. Substantial Rehabilitation - Section 8

Description:

A third type of Section 8 assistance is for Substantial Rehabilitation. Until quite recently comparatively little Section 8 Substantial Rehabilitation money has been committed in Los Angeles. However, this is changing. When HUD closed applications for the Demonstration Rehabilitation Program on July 5, 1978, a total of 582 units had been requested by private developers out of 820 originally allocated. Other recent projects include 308 units of elderly housing in the former Telephone Company building at 740 South Olive Street and 115 units for senior citizens as part of HUD's Giant Step program, which combines Section 8 and Section 202 long term, low interest financing. The City also received a special allocation of 540 Section 8 rehabilitation units as part of the new Hollywood Neighborhood Strategy Area comprehensive revitalization effort.

Status:

A total of 582 units are presently being considered for Section 8 Substantial Rehabilitation subsidies, approximately 75% of which are located in the Crenshaw/Santa Barbara area and in the Central Business District. A two square mile section bounded by Sunset Boulevard, Melrose Avenue, Seward Street, and the Hollywood Freeway has been targeted for an additional 540 units which form the nucleus of our new Hollywood Neighborhood Strategy Area. All Section 8 New/Substantial Rehabilitation units are reviewed by the Los Angeles Community Development Department's Housing Division before being approved by HUD.

d. Section 23 (Leased Public Housing)

Description:

Section 23 (Leased Public Housing) is a program to provide low-rent public housing for low-income families through the use of private housing accommodations. This Section was created by the U.S. Housing Act of 1937. Annual contributions made to authorize local housing authorities enable them to work with real estate agencies, owners, and developers in providing housing for low-income families. Local housing authorities lease dwellings from private owners and make them available to low-income families at rents that they can afford. Local authorities also may acquire structures containing leased units and sell them to the tenants on terms that would enable them to make the purchase without undue financial hardship.

Status:

In the Leased Housing Program, the City Housing Authority leases privately owned dwelling units that meet the criteria of being "decent, safe, and sanitary". In turn, the Housing Authority subleases these units to eligible families, senior citizens, and the handicapped and disabled. This program permits leasing of several units in an existing building, an entire existing building, or a new building constructed or rehabilitated expressly for lease to the Authority.

An outstanding example of the Housing Authority's leasing of an entire existing building under this program is the 196-unit senior citizen facility, known as Independent Square, which is located at 2455 South St. Andrews Place. This structure was made available to the Housing Authority by HUD. The Housing Authority holds a 15-year lease on the facility and will become the legal owner at the end of the lease.

Eligibility income limits are somewhat higher for Leased Housing than for "conventional" units. The Authority already has some 3,850 leased housing units under lease and 440 more under construction.

e. **Section 235****Description:**

Section 235 was created as a portion of the 1968 Housing and Urban Development Act. This is a program to enable moderate-income families to buy a home or a membership in a cooperative housing project. HUD makes monthly payments to the lending institution to reduce interest costs to as low as 1% on a home mortgage insured by the Federal Housing Administration. The homeowner must pay at least 20% of his adjusted monthly income on the mortgage.

Amounts of subsidies vary according to the income of the individual homeowner and the total amount of the mortgage payment at the market rate of interest. Family income and mortgage limits are established for eligibility in each locality. Assistance may be provided for new or substantially rehabilitated homes, and in a limited number of cases, for existing homes without rehabilitation.

Status:

The exact number or location of 235 housing is not known by HUD. However, there are 4,400 units within the County, and it is estimated that as many as 2,500 dwelling units may be in the City. Most of these would be located in South Central Los Angeles. The annual budget is estimated at \$2.5 million.

This housing section is considered a moderate-income mortgage assistance program, which has recently been revised by HUD. The required income is now between \$11,550 and \$20,650 yearly. HUD will insure loans up to \$32,000. However, this limit has reduced the usefulness of the Section 235 program in the Los Angeles housing market.

The required down payment is 3% on the first \$25,000 and 10% on the balance plus closing costs, or 6% of the estimated cost of acquisition. The loans can only be made on new homes, or substantially rehabilitated homes (25% of the value in rehab). The total sales price may be up to 120% of the mortgage amount. The interest rate is based on income.

f. Section 236

Description:

This was a companion section to 235 in the Housing and Urban Development Act of 1968. However, it was oriented to rental units rather than owner-occupied units. This is a program to reduce costs on certain rental and cooperative housing projects designed for occupancy by moderate-income families.

HUD's assistance is in the form of monthly payments to the mortgagee (i.e., lending institution) on behalf of the mortgagor (i.e., developer). Their periodic interest reduction payments lower the amount required for principal, interest, and mortgage insurance premium on a market-rate mortgage to an amount that would be required for principal and interest if the mortgage bore an interest rate of 1%. The purpose of the payments is to bring the monthly rental charges down to a level which moderate-income families can afford (25% of the tenant's adjusted monthly income).

Interest reduction payments may be made on rental or cooperative housing owned by private, nonprofit, limited dividend, or cooperative entities, which are financed under a state or local program providing assistance through loans, loan insurance, or tax abatements.

In addition, rent supplements are also available with Section 236 mortgage subsidies. The rent supplement program is designed to make decent housing available to low-income individuals and families. The rent supplement payment for a tenant amounts to the difference between 25% of his income and fair market rental for the unit he occupies. As the tenant's income changes, the rent supplement is increased or decreased accordingly. If the tenant's income rises to the point where he can pay the full rent, he may continue living in the same unit without a rent supplement.

The housing for which rent supplements are paid must be financed under certain HUD programs or under state or local programs that provide loans, loan insurance, or tax abatements, if the projects are approved for rent supplements before completion of construction and rehabilitation. Under the 1969 HUD Act as many as 40% of the units in a Section 236 project may be assisted by the rent supplement program, but present FHA regulations limit the maximum to 20%. The rent supplement program amounts to a double subsidy for Section 236 housing units.

Status:

Current information with respect to the exact number of Section 236 loans that have been issued recently in Los Angeles is very difficult to obtain. However, as of June, 1977 HUD estimated there were 200 Section 236 projects comprising 15,000 units with a total budget of \$12 million.

g. Section 221 (D)3

Description:

Section 221 D(3) Below Market Interest Rate Program was incorporated into the Housing Act of 1961 as the nation's first sizeable experiment in direct subsidization of privately owned rental housing. Section 221 D(3) BMIR was phased out after the introduction of Section 236 in 1968. However, there is still a substantial number of housing units in the City that were developed during this seven year period.

Under Section 221 D(3) both nonprofit and "limited dividend" private developers were permitted to build new apartment buildings with mortgages insured by FHA and purchased by the Federal National Mortgage Association upon completion of construction. These mortgages bore unusually low interest rates, which initially were tied to the government borrowing rate but fixed at 3% during the latter half of the 1960's. The developers or "sponsors" were required to pass the below market interest rate (BMIR) through to the tenants in the form of decreased rents. As a result, Section 221 (D)3 rents were usually about 75% to 80% of rents in comparable unsubsidized projects.

Status:

Current information with respect to the exact number of Section 221(D)3 loans that have been issued recently in Los Angeles is very difficult to obtain. Area HUD informs us this program is being phased out with the Section 8 Set-Asides. To date the exact number of 221(D)3 subsidized units is unknown.

h. **Section 202 (Elderly Housing Projects)**

Description:

Several projects in the City of Los Angeles have been specifically earmarked for elderly residents. These would include Sections 23, 8, 236, and 221 D(3) projects. However, the one special program for the elderly, Section 202, offers low interest, long term loans for new or rehabilitated housing, dining, or community facilities for persons 62 years and older. Loans can be paid over 50 years at a rate of 3%. In many instances Section 202 programs are implemented in conjunction with a Section 236 structure or Section 8 income subsidies.

Status:

As a December, 1978 a total of 406 Section 202 units had been authorized for the City of Los Angeles. For Fiscal Year 1978-79 HUD will be allocating additional new and rehabilitation loans to units within the City.

i. **Section 312**

Description:

The Section 312 program offers 3% rehabilitation loans directly from HUD to owners of dwelling units needing repair. The loan term is up to 20 years and the maximum loan amount is \$27,000. In some circumstances these loans may be used to refinance existing debt on the property. However, they are only available in special HCDBG target areas, which together comprise the HOME Program, CRA Redevelopment Projects, and the Harvard Park Revitalization Project. Progressive Housing Associates will soon begin processing Section 312 loans in the Florence/Avalon Neighborhood Strategy Area.

Status:

To date, 140 Section 312 loans have been issued by the HOME Program; three CRA Redevelopment Projects: Pico Union I, Pico Union II, and Normandie/5, and the Harvard Park Revitalization Project. The amount of these loans varies with the time when they were issued, primarily because of inflation. Thus, CRA Redevelopment Project Section 312 loans average about \$10,000 each compared to \$13,827 for Harvard Park loans and \$15,718 for HOME Program loans. It is estimated that roughly 160 Section 312 loans will be made in Los Angeles during the next year.

2. State Housing Programs

a. CHFA Section 8 Programs

The California Housing Finance Agency administers some federal Section 8 funds following federal program guidelines. The number of units in Los Angeles in this program is currently 1,113 units (See Exhibit 5, Appendix E for details).

b. CHFA Single-Family Mortgage Purchase Program

Description:

CHFA purchases below market interest rate (7%) FHA/VA insured mortgages for moderate-income families, who otherwise would not be eligible for market rate loans. CHFA-purchased loans are limited to \$67,000 and are available through 45 mortgage lenders throughout California. Each of the mortgage lenders has a commitment from CHFA to purchase a specified dollar amount of eligible loans in certain geographic areas. Only one- to four-family structures (new, rehabilitated, or existing) are eligible under this program. No mortgage purchases are currently being made under this program.

Status:

According to CHFA between July 1, 1977, and March 30, 1978, 104 Single-Family Mortgage Purchase loans were made in Los Angeles County. The total amount of money committed was \$3,300,000, or an average of \$31,731 per home. Average buyer income was approximately \$13,300.

c. CHFA Home Ownership/Home Improvement Loan Program

Description:

The Home Ownership/Home Improvement (HOHI) Loan Program assists low- and moderate-income families with interest subsidies for mortgages and rehabilitation loans. It is operated by the California Housing Finance Agency in cooperation with private lenders and local governments. CHFA sells tax-exempt bonds and uses the proceeds to buy home loans from participating lenders in areas selected by the local agency that is administering the program.

CHFA mortgage financing is available in Assistance Areas, which usually include an entire City or County. Concentrated Rehabilitation Areas are target neighborhoods where local improvement programs are being implemented. CRA loans are made, regardless of income, for rehabilitating as well as purchasing a home.

Status:

According to CHFA between July 1, 1978 and November 30, 1978, a total of \$5,100,000 was reserved for the City of Los Angeles in HOHI funds. How much has actually been committed for their mortgage assistance program is not yet known. However, 15 rehabilitation loans totaling \$109,015 have been disbursed through the City's HOME Program to date in El Sereno and Highland Park.

d. Cal-Vet Home Loans

Description:

The California Department of Veterans Affairs finances its farm and home purchases program by issuing self-liquidating bonds. Until recently participation was limited to veterans out of service less than ten years, who had to apply within twenty-five years from their date of discharge. However, last January, Governor Brown declared a two-year moratorium on that provision so that virtually all California veterans can now apply. The ceiling also has been removed on the purchase price of homes financed through this program, although the maximum loan amount is still \$43,000. Veterans may borrow to buy single-family residences, mobile homes, farms, or planned unit developments, such as condominiums and town homes. However, they must actually live on the premises rather than renting them.

Status:

According to the Division of Farm and Home Purchases of the California Department of Veterans Affairs, 1,127 contracts were written in Los Angeles County for a total loan amount of \$39,261,200. As of June 30, 1978, there were 21,657 properties under contract in the County with a current balance of \$272,472,937. It is assumed that at least 40% of these County totals would be in Los Angeles City.

3. Los Angeles City Housing Programs Administered by the Los Angeles Community Development Department, Housing Division

a. Pacoima

Description:

Urban Projects, Inc. has just completed a socioeconomic profile of Pacoima, which suggests a number of commercial and residential rehabilitation projects. Consequently, both HOME and Handyman programs have been designated for this area during the next three years, with intended impact on an estimated 500 units. The Mayor's Office of Economic Development is requesting EDA and UDAG grants to augment this effort. Pacoima Revitalization, Inc. is being organized to sponsor various economic and industrial development programs. HCDBG funds will also be used for landscaping and neighborhood/capital improvement projects.

Status:

A total of \$1,320,096 has been allocated to the Pacoima Neighborhood Strategy area during the fifth program year. This includes \$100,000 for the Handyman program, \$375,000 for development programs, \$221,890 for capital improvements, and \$623,206 for public services. It is anticipated that more than \$2,700,000 will be committed to revitalizing Pacoima during the next three years.

b. Crenshaw

Description:

Gruen and Associates has just completed a socioeconomic profile of the Crenshaw Neighborhood Strategy Area which identifies a number of community problems and makes specific recommendations for dealing with them. Consequently, HOME, MORE, and Handyman programs have been designated for this area during the next three years, targeted for an estimated 550 residential units. It is anticipated that an additional CARE area will be selected for 1980-81. The Crenshaw Revitalization Committee will be organized and funded to provide liaison between municipal agencies and the community and to apply for EDA, UDAG, and other funds. The Crenshaw Shopping Center Development Plan includes revenue package preparation, analysis of legal issues, and site drawings, as well as meeting with both present and potential investors. The City will also try to obtain additional Section 8 Substantial Rehabilitation allocations for the Crenshaw NSA.

Status:

A total of \$1,800,000 has been allocated for the HOME, MORE, and Handyman programs during the next three years. Third- and fourth-year multi-family rehabilitation monies in the amount of \$832,000, together with unallocated sixth- and seventh-year development funds, should provide a total budget of \$3,300,000 to revitalize Crenshaw.

c. Housing Studies

Description:

A series of housing studies will be conducted to determine current housing conditions and population needs in different parts of the City. They must be completed before these communities can be designated Neighborhood Strategy Areas, thereby becoming eligible for HCDBG-funded housing programs.

Status:

During the fifth program year housing studies will be conducted in the following communities:

1. Temple
2. Boyle Heights #2
3. Lincoln Heights #1
4. Vernon/Central
5. Chesterfield

When these studies are completed, appropriate housing programs will be recommended to insure a comprehensive rehabilitation of the housing stock.

d. Boyle Heights/Lincoln Heights/Mt. Pleasant

Description:

As a result of the Boyle Heights Revitalization Study conducted during the fourth program year, two communities have been designated as Neighborhood Strategy Areas: Mt. Pleasant and the Boyle Heights HOME area. In addition, further revitalization studies will be performed in Boyle Heights and Lincoln Heights during the fifth program year.

Both the HOME and Home Paint-Up programs are being implemented along with public services and construction of a recreation facility. Two CARE programs and two Handyman programs are being established in Boyle Heights.

The housing study, which will be completed in Lincoln Heights during the fifth program year, will include a survey of housing conditions and needs, as well as an evaluation of specific commercial revitalization and capital improvement projects required. These recommendations will be considered in the program planning for the budgetary process in the sixth year HCDBG Application. A Handyman program is being established in Lincoln Heights during the fifth program year.

The Mount Pleasant Neighborhood Strategy Area has been identified as a major target for housing rehabilitation in East Los Angeles. During the fifth program year \$945,000 will be expended for rehabilitation and \$168,386 for public services to implement the Mt. Pleasant Study and to complete a comprehensive redevelopment plan.

Status:

In Boyle Heights an estimated 400 homes will be rehabilitated during the next three years through the HOME program. A total of \$200,000 worth of public improvements will be committed to this area in the sixth and seventh program years. The second Boyle Heights Study also will be completed.

The Lincoln Heights Revitalization Study will be completed with \$50,000 in fourth year HCDBG funds and the Lincoln Heights Redevelopment Plan will be conducted using \$225,000 in fifth year HCDBG funds.

A total of 400 dwelling units will be rehabilitated during the next three years in the Mt. Pleasant and the Boyle Heights HOME program areas, with a substantial amount of public improvements, including reconstruction of sidewalks, curbs, gutters, wheel chair ramps, street trees, and street resurfacing. It is also anticipated that a number of housing sites will be developed in Mt. Pleasant by means of real estate purchases, site preparation, and relocation expenses.

A total of \$1,220,000 has been allocated for the Mt. Pleasant implementation and the Lincoln Heights and Boyle Heights studies during the fifth program year. In addition, funding has been allocated for the Boyle Heights HOME area and three Handyman programs.

e. Homeowners Opportunity Maintenance Effort (HOME)

Description:

The HOME program operates in relatively small areas which are characterized by low- and moderate-income owner-occupied housing in need of major rehabilitation. This program provides interest rate subsidies, technical/architectural assistance, and capital improvements to upgrade the overall appearance of neighborhoods. Los Angeles thereby is able to stimulate expenditure of a large amount of private rehabilitation capital with a comparatively small amount of HCDBG funds. The Home Paint-Up program will provide each participating homeowner with a free exterior paint job utilizing CETA Workers. Both programs will be functioning in 12 areas during the fifth program year. HOME program areas will also be eligible for Section 312 rehabilitation loans. Public improvements available in the HOME Program areas usually include such activities as tree trimming, sidewalk repair, and construction of handicapped ramps.

Status:

HOME programs will continue operating in El Sereno, Highland Park, Hollywood, Leimert/Exposition, and West Adams. New HOME programs will soon be established in Boyle Heights, Cypress Park, Echo Park, San Pedro, Sun Valley, Sylmar, and Watts. A total of \$6 million has been allocated for this endeavor during the next program year, including money for public improvements, administration, and loan subsidies. By November 30, 1978, 725 dwelling units had been rehabilitated, representing a total dollar investment of \$3,741,792.

f. **Home Paint-Up****Description:**

The Home Paint-Up program will begin operating in every HOME rehabilitation area during the next three years. Anyone who actively participates in the HOME program by taking out a loan will be eligible for a free exterior paint job. HCDBG funds will pay for materials while CETA employees do the work. Consequently, it is anticipated that this program will be largely implemented by operating agencies under contract to the City.

Status:

A total of \$600,000 annually has been budgeted for the Home Paint-Up program. Approximately 1,100 homes will be painted during the fifth program year.

g. **Hardship Emergency Loan Program (HELP)****Description:**

The HELP program, administered by the Department of Building and Safety, will have a new focus next year. It will now assist multiple-family dwelling units and renters in addition to single-family homes. Many of the worst housing conditions occur in small apartment buildings that have not been eligible for HELP loans previously. New programmatic guidelines have been developed, which include multi-family dwellings of up to 4 units per site. HCDBG funds have been allocated for code inspectors and other staff in the Conservation Bureau to administer this program. A \$200,000 annual budget has also been established for the Handicapped Loan Program, which will help to eliminate architectural barriers in handicapped households. However, HELP's main concern is to provide interest-free loans for low-income families to repair emergency scattered-site code violations. The Conservation Bureau currently issues citations to 11,000 dwelling units annually on a complaint basis. Revised HELP guidelines will assist as many as 120 low income families per year repair their code violations with interest free HCDBG loans up to a maximum of \$5,000.

Status:

As of March 31, 1979, 106 loans had been made for a total of \$361,302. A total of \$920,000 has been allocated for the Hardship Emergency Loan Program during the fifth program year. It is estimated that 120 interest-free loans, averaging \$4,500 each, will be made to low-income households cited for code violations in this period. These units will be rehabilitated on a scattered-site basis Citywide. Private capital will be committed to this program on a roughly 4:1 matching basis. A balance of approximately \$1.4 million remained in the 4th year budget for this program as of March 31, 1979.

h. Handicapped Loan Program

Description:

The Handicapped Loan Program is administered by the Department of Building and Safety. It is estimated that 60 interest free loans will be made per year to handicapped households for eliminating architectural barriers and repairing code violations.

Status:

A total of \$200,000 will be allocated for the Handicapped Loan Program during the fifth program year. Approximately 60 loans will be made averaging \$3,000 each.

i. Multi-Family Opportunity Rehabilitation Effort (MORE)

Description:

The Multi-Family Opportunity Rehabilitation Effort (MORE) is a program whose objective is to increase the supply of substantially rehabilitated multi-family housing units. The areas selected were predominantly multi-family areas with residents who would qualify for Section 8 subsidies. This is a continuation of the Multi-Family Rehab Program in the 1977-78 program year. That start-up has been delayed awaiting HUD advertisements for Section 8 Substantial Rehabilitation.

The MORE program will encourage apartment owners to apply for low interest rehabilitation loans through Section 8 rent subsidy programs. HCDBG funds will be allocated for technical assistance, administration, and limited capital improvements.

Status:

Block Grant Funding will be allocated for administration and stimulating Section 8 funding. The MORE program will be operating in Venice, Westlake, Echo Park, Fairfax, Hollywood, and Crenshaw.

j. Hollywood Neighborhood Strategy Area

Description:

A comprehensive redevelopment program is being implemented in a two square mile section of Hollywood bounded by Sunset Boulevard on the north, Melrose Avenue on the south, Seward Street on the west, and the Hollywood Freeway on the east. A total of 800 Section 8 units have been allocated by HUD, of which 540 are earmarked for rehabilitation and 260 for new construction.

An additional \$2,680,000 in Section 312 loan funds also have been committed during the next five years. HCDBG money will be used for capital improvements, relocation assistance, and support for the Hollywood Revitalization Committee. It is anticipated that 1,480 dwelling units will be constructed and rehabilitated in the first three years of the project. Included are several HOME, CARE, and Handyman programs. EDA and UDAG grants are also being applied for. Appropriate capital improvements will be instituted with HCDBG funds, which also will be used for a hotel study, an industry study, establishment of a Local Development Committee, and to finance Hollywood NSA citizen participation.

Status:

A total budget of \$1,914,295 has been allocated for the Hollywood Neighborhood Strategy Area during the next three years. However, this figure does not reflect all funding going to this NSA. Funds for related activities such as CARE, Home Paint-Up, CETA grants, CHFA loans, and private capital bring this total to more than \$3,000,000 for the first year alone. As much as \$90 million worth of Section 8 rent subsidies may ultimately be committed by HUD.

k. Single-Family Urban Homestead Program

The Los Angeles City Single-Family Urban Homestead Program is targeted for the Harvard Park-Avalon area of South Central and South-East Los Angeles Communities. The program involves the rehabilitation of HUD-foreclosed properties. The City will hold first trust deeds on each property and loan up to \$5,000 per unit from HCDBG funds for rehabilitation to meet occupancy standards. Section 312 loans will be available for further rehabilitation after occupancy.

Status:

Of 160 units inspected, only 20 were deemed suitable for rehabilitation. As of March, 1979 rehabilitation had begun on five units, with rehabilitation on six more units to begin in April. The homesteading program budget submitted in April, 1976 indicated costs of \$582,978 out of HCDBG funds.

l. Multi-Family Urban Homesteading Program**Description:**

This demonstration program will allow low-income homesteaders to repair deteriorated repossessed multi-family structures with the CETA program paying their salaries. Ultimately, each family becomes an owner-occupant of one of the units. These structures are located in some of the most seriously deteriorated areas and will be offered to prospective owner-occupants on a lottery basis as part of a new housing cooperative.

Status:

A total budget of \$400,000 has been allocated for the Multi-Family Urban Homesteading Program during the next program year. It is anticipated that 40 dwelling units will be rehabilitated at the same time. HCDBG funds are going to be used for security protection and administrative staff, as well as rehabilitation assistance.

m. Handyman**Description:**

The Handyman program combines CETA labor assistance with HCDBG material subsidies to provide paint-up, security, and minor repair services for low-income and elderly homeowner-occupants. At least 100 dwelling units are improved annually in each program area. This undertaking will be administered by private profit and nonprofit service agencies, which compete for both CETA grants and CDD contracts through a formal Request for Proposal process. During the fifth program year, 24 program sites have been identified.

Status:

Free paint-up and minor repairs are done for a minimum of 100 owner-occupied homes in each of 22 areas per year. A total of \$2,165,000 has been allocated in fifth-year HCDBG funds for this program. It is anticipated that an equal amount of CETA funds will also be committed. Fifth-year Handyman program sites are listed below:

TABLE 27

HANDYMAN PROGRAM SITES
5th HCDBG PROGRAM YEAR
1979-80

<u>Area</u>	<u>Census Tracts</u>	<u>Council District</u>
1. Venice	2733, 2735	6
2. Panorama City	1176, 1202, 1203	7
3. Southeast I	2407, 2408, 2409, 2411	8
4. Vernon Central	2281, 2282	9
5. South Central	2316, 2317	9
6. Boyle Heights I	2032, 2035, 2036, 2037	14
7. Boyle Heights II	2041, 2042, 2043, 2044	14
8. Temple/Beaudry	2081, 2082	4
9. Westlake I	2083, 2084, 2085	4
10. Westlake II	2088, 2089, 2094	4-10
11. Lincoln Heights	1992, 1998	14
12. Echo Park I	1873, 1872	13
13. Echo Park II	1973, 1974	13
14. Hollywood I	(1909), 1905, 1911, 191601	13-4
15. Hollywood II (NSA)	1908, 1909, 191602, 1917, 1918	13-4
16. Fairfax	1922, 1944, 1945, 2144	5
17. Pico-Robertson	2164, 2165, 2166, 2167, 2168	5
18. North Hollywood I	124102, (1253), 1254, 1255	2
19. Pacoima	1044, 1045, 1046	1
20. Sylmar	106601	1
21. Green Meadows	2401, 2406, 2399, 2412	8
22. West Adams	(2182), 2183, 2184, 2185	10

n. Housing Production

Description:

The Los Angeles Community Development Department has identified a number of ways to stimulate housing production with HCDBG funds, including bond-financing, move-on housing, homeowner equity participation, and land transfer subsidies. Questor, Inc. is conducting a feasibility study with respect to creating a Municipal Finance Agency that would issue bonds to finance new construction of low- and moderate-income rental housing units. The Watts Labor Community Action Committee has already moved, rehabilitated, and landscaped thirty-nine homes that were located near the Los Angeles International Airport. LACDD is monitoring CHFA's mortgage assistance program in Los Angeles. The City Council has recently programmed \$3,663,223 in HCDBG funds for land transfer subsidies. This money would be used for acquisition and site preparation, but not construction, of properties to provide both family and elderly low- and moderate-income multiple rental housing units developed by the Housing Authority, private developers, and/or nonprofit organizations.

Status:

As mentioned above, on November 27, 1979, the Los Angeles City Council reprogrammed \$3,663,223 in first, second, third and fourth year HCDBG savings. This money will comprise a new Land Acquisition Fund for Housing, which will finance the acquisition and preparation of specific sites for both family and elderly low- and moderate-income multiple rental housing units. Only \$54,468 of the total amount reprogrammed has been identified for administrative purposes. The City will either sell or lease land to a developer with a restriction that the property must continue to serve as low- and moderate-income housing for a designated time period. Contracts with developers will provide that maximum rents for units to be constructed may not exceed fair market rents for Section 8 Existing Housing.

o. Commercial Area Revitalization Effort (CARE)

Description:

CARE is a commercial revitalization program which provides interest-subsidized loans, technical assistance, capital improvements, and architectural aid to property owners in very concentrated areas. Local merchants organize themselves and submit proposals for their neighborhoods on a competitive basis. They are eligible for up to \$150,000 in capital improvements per area and \$25,000 in loans for each store. Program sites during the next three years will be selected through local RFP advertisements. Those merchant groups that do not have enough technical expertise to prepare the required applications will be eligible for supplementary CARE Outreach funds for consultant services. A minimum of 40% merchant participation has been established in order to be selected as a CARE program area.

Status:

A total of \$680,000 has been allocated in HCDBG funds for the CARE program during the next program year. Two new program areas will be initiated during the next year. These two areas will be added to the four ongoing CARE program sites, Van Nuys, Pico-Robertson, Sun Valley, Hollywood, and eight new CARE program sites, which will be selected during spring, 1979. An estimated 100 loans will have been made in the existing areas by June 30, 1979.

p. Fair Housing Congress**Description:**

The Fair Housing Congress is a private nonprofit umbrella organization for local fair housing councils, which promote compliance with both State and Federal law, as well as conducting an extensive public education campaign throughout the City.

Status:

A total of \$325,000 has been allocated to the Fair Housing Congress and three Fair Housing Councils during the next program year. It is anticipated that an estimated 300,000 people will be reached by the public education campaign through local media programs and announcements.

q. Homeownership Opportunity Programming Effort (HOPE)**Description:**

The HOPE program is an information service that provides free seminars on homeownership, home financing, and housing maintenance. Four concurrent seminars are presented throughout the City at locations that are changed quarterly. Thus, a total of forty-eight evening seminars take place in sixteen different locations during the course of a year. While open to the general public, the HOPE program is primarily intended to benefit lower income households. Both consumer credit and mortgage credit counseling are made available to participants through Consumer Credit Counselors of Los Angeles and the Home Loan Counseling Center.

Status:

A total of \$80,000 in HCDBG funds has been allocated for the Homeownership Opportunity Programming Effort during the next program year. An additional \$20,000 in private donations should be made by local financial institutions together with a substantial amount of in-kind contributions. It is estimated that mortgage counseling will be provided for 3,000 families with homeownership, home management training, and housing information afforded 5,000 persons each year.

r. Housing Expeditor

Description:

An additional civil service position has been authorized in the Board of Public Works with some clerical support, to expedite low-income housing projects. Funded by HCDBG, this person will aid developers in securing zone changes, permit approvals, and generally overcoming City impediments to development of both new and substantially rehabilitated low-cost housing.

Status:

A total of \$100,000 has been allocated for this activity during the next program year. It is anticipated that the Housing Expeditor will help developers facilitate the construction and rehabilitation of 750 units in neighborhood strategy areas, 1,800 other low-income housing units, and 1,800 Section 8 units within this period. The specifications for the position of Housing Expeditor are being developed by the Personnel Department.

s. 15% Ordinance

Description:

This ordinance requires that 15% of all new subdivisions with structures of five units or more be devoted to low-income families when rent subsidies are available. Therefore, notification and appropriate processing must be performed by the City Housing Authority when apartment developments or condominiums change ownership or when ordinance exemption requests are made. Housing Authority staff also record each new development to determine whether additional rent subsidies can be made available to eligible residents.

Status:

A total of \$100,000 has been allocated for this activity during the next program year. Through December 1978, 382 units have contracted with the Housing Authority. The Authority will register an estimated 15,000 new units and place 750 low-income families by the end of Fiscal Year 1981-82.

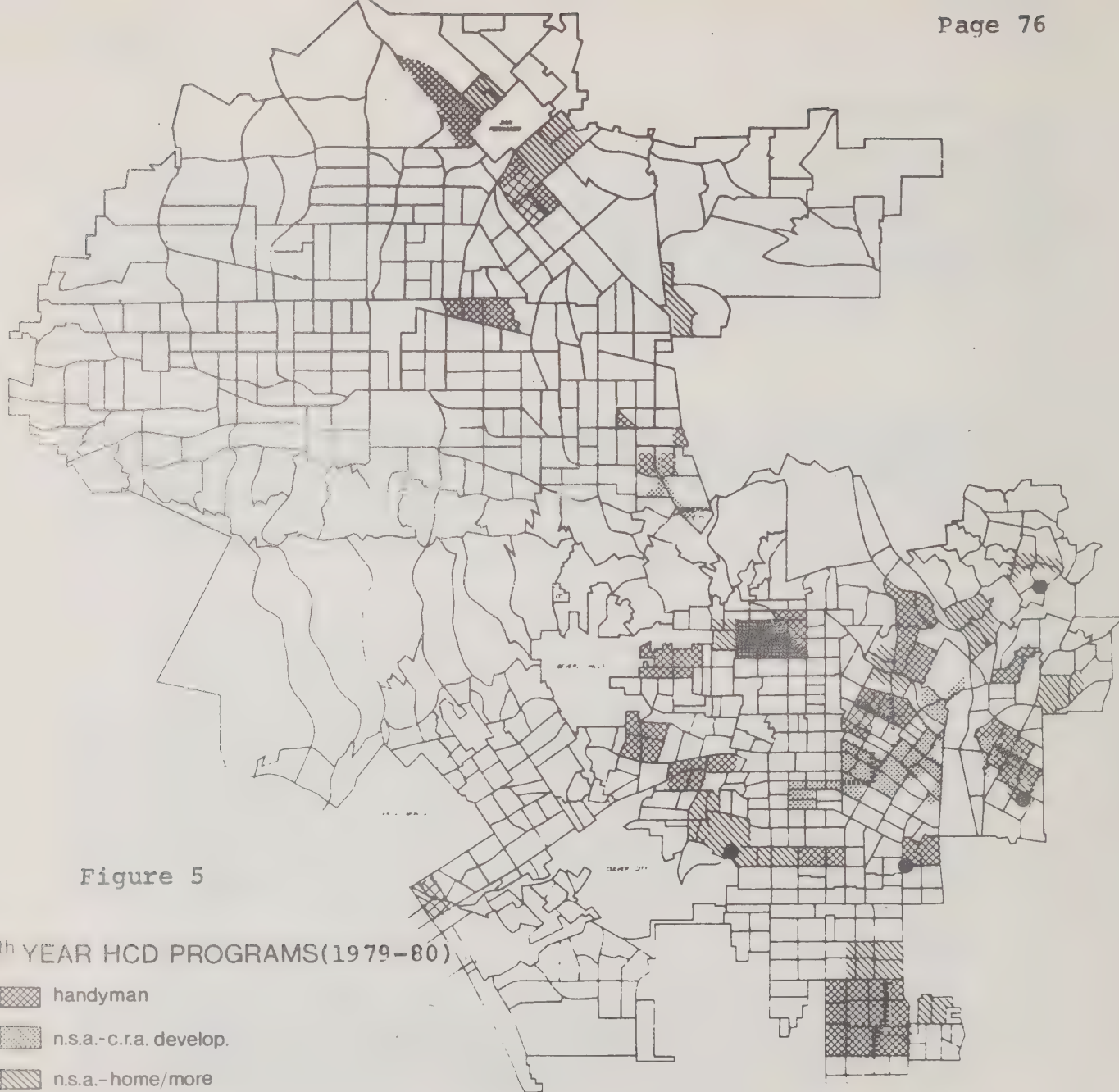
t. Community Design Center (CDC)

Description:

The Los Angeles Community Design Center (CDC) provides architectural, engineering, interior design, and planning services to homeowners participating in the HOME program. CDC staff is funded only partially out of HCDBG funds with the rest of the budget provided through CETA and VISTA grants. Block grant money is used in primarily lower-income areas.

Status:

A total of \$150,000 in HCDBG funds has been allocated to the Community Design Center during the next program year. It is estimated that 300 units will be given such technical assistance by the end of fiscal year 1979-80.



E. City Planning Department

The Planning Department serves a staff function to the Mayor and City Council. Housing is influenced at various levels by the Department. At the fundamental level of comprehensive land use planning, the Department prepares the Housing Element as an integral part of the General Plan. This permits housing to be planned in concert with the centers enumerated in the Concept Los Angeles Plan. Various Community and District Plans provide the Land Use Element of the General Plan. The Department is also responsible for development of the City's zoning and subdivision ordinances, which affect the location of new housing units.

Through the comprehensive planning process, the Planning Department defines the needs of the various communities of the City, including analysis and projection of population, housing units, and community facilities and services. The analyses and recommendations are then provided to the Community Development Department, which can use this information to prepare program packages to meet the needs identified. The Planning Department attempts to evaluate the effectiveness of potential new community programs in meeting identified long-range needs. The Department also provides review and evaluation of Housing and Community Development citizen programs for consistency with the General Plan. In the designation of redevelopment survey areas, the Department serves in a joint role with the Community Redevelopment Agency.

IV. HOUSING NEEDS AND RECOMMENDATIONS

This Chapter of the Housing Element contains policy recommendations for increasing the supply of housing and improving housing conditions in the City of Los Angeles. It also informs the public of the general direction in which the City proposes to proceed in evaluating public and private development in meeting needs. It is intended that this Element also serve as a guide for action by the City Council in evaluating public and private development with respect to meeting housing needs.

TABLE 28

HOUSING PRODUCTION GOALS

	Without Undocumented Aliens*	Without Undocumented Aliens**
1) One Year (1979)	9,230 units	15,448 units
2) Three Years (1979-81)	27,691 units	46,343 units
3) Average Unit Production ('71-'78)	10,029 units	10,029 units
4) Yearly Difference	+799 units/year	-5,419 units/year

In addition to meeting overall unit production goals, new housing needs to be affordable to as large a proportion of City residents as possible. New production can generate badly needed "filter down" housing even though personal incomes have not been rising fast enough to match rising housing costs in recent years. Local residents now spend increasing percentages of their incomes on housing. Future census information will be utilized to measure this trend more accurately.

The objectives, policies, and programs are activities that the City intends to implement to carry out the requirements of State law as contained in Government Code Section 65302 and Health and Safety Code Section 41134. Implementation strategies are suggested, which are intended to be consistent with the policy of the City to encourage the development of housing for all economic segments of the City of Los Angeles. The City of Los Angeles intends to utilize federal, State, and local programs to encourage interested private institutions to increase the development of appropriate housing based on the needs of the various population segments. Priorities are suggested so that segments found by the City Council to have the greatest need may have the earliest application of the City's available assistance.

As used herein, the phrase "legislative processes of the City" or similar usage, shall refer to the "Organization and Procedures Manual on Legislative Matters Affecting the City of Los Angeles, as adopted by the City Council," dated August 1, 1962 and amended January 16, 1974, June 27, 1975, December 8, 1975 (Council File Nos. 100300, 73-5620, and 74-4438), and as the same may be amended; and any other relevant actions which the City Council may from time to time take relative to legislative matters.

* See Table 18, Line K for details.

** See Table 21, Line L for details.

A. Obstacles to Meeting Housing Needs

In establishing policies, objectives, and implementation strategies for meeting the housing needs for all economic segments of the community, the City of Los Angeles acknowledges that there will be obstacles in achieving this goal. Briefly, the chief obstacles would include:

1. More favorable tax shelter programs for endeavors other than housing.
2. Limited availability of private capital for rental housing because of No. 1 above.
3. Inadequate income levels of residents seeking housing.
4. Encouragement and strong support for limited types of housing activities by governmental agencies and communities.
5. Insufficiency of City, State, and Federal funds for adequate housing programs.
6. Objections to increased costs by enforcement agencies.
7. Lack of acceptance by the general public.
8. Inadequate cooperation and coordination among City agencies.

The single most significant obstacle to the attainment of the housing recommendations enumerated in this Housing Element is the state of the economy. As economic conditions and circumstances improve, so should the prospects of achieving the objectives of the Housing Element.

The time schedule for each City housing program is a "target date", which represents a goal for implementation. The achievement of the "target date" is dependent on the continuing availability of City resources and staff, as well as other relevant considerations for the program. The annual monitoring report evaluating implementation progress may recommend adjustments to the "target dates" based on the above considerations. The final decision on particular "target dates" will rest with the Mayor and City Council.

The aim of the housing recommendations is not to increase housing costs without a commensurable benefit. Certain programs will increase the cost of housing, but with a gain in energy saving housing quality, social equity, or other important factors believed to be of equal or greater value.

B. Objectives, Policies, Programs, and Implementation Strategies

OBJECTIVE 1

TO ENCOURAGE THE PROVISION OF ADEQUATE HOUSING IN THE CITY, WITH A PARTICULAR EMPHASIS ON RENTAL UNITS, ESPECIALLY FOR THOSE OF LOW AND MODERATE INCOME** AND HOUSEHOLDS HAVING SPECIAL NEEDS

POLICIES FOR OBJECTIVE #1

It is proposed to:

1. Be of assistance to the private sector and public agencies capable of producing or assisting in producing housing to provide sufficient and adequate housing for City residents, with particular attention to the needs of lower income households, as well as those of the handicapped, the elderly, and households with children.
2. Encourage and aid new residential developments to better meet the specific housing requirements of all segments of the population, including the special needs of the elderly, poor, disabled, disadvantaged, and households with children.
3. To assist property owners in upgrading and modifying existing housing.
4. Investigate and promulgate changes in the Municipal Code which could serve to expand housing opportunities.

*First Program for Objective #1

Administer the City's Housing Production Program. (See Appendix D for Housing Production Report.)

Implementation Strategy

The Community Development Department, Housing Division will administer the Housing Production Program, which will provide land subsidies and predevelopment costs to private and nonprofit developers who agree to produce low-cost housing, particularly rental units, affordable to lower income families. During the past year the City Council has allocated \$7.1 million in Block Grant Funding for this program, for which the Housing Division has begun to select developers. Included in this program are land write downs to facilitate the building of family housing units.

*Second Program For Objective #1

Support legislation that will assist in providing housing to low- and moderate-income households, as well as to those with special needs.

Implementation Strategy

- a. The Community Development Department and Chief Legislative Analyst will continue to identify and report on sources of Federal and State funds for housing assistance and maintain communication with State and Federal agencies to encourage the continuation and expansion of programs that support the provision of low- and moderate-income housing, consistent with the established legislative procedures of the City.

* New program recommended by Planning Department staff, subject to concurrence of other City departments and approval by the City Council and Mayor.

** All mention of "income" in this chapter refers to net income.

- b. The City Attorney's office will assist the Community Development Department and the Chief Legislative Analyst in drafting proposed legislation to enable the City to support and participate in State and Federal housing programs.
- c. Under the Housing Production Program, approximately 300 units of affordable family housing will be produced utilizing \$3.66 million budgeted by the City to underwrite land and predevelopment costs.
- d. A \$1.5 million revolving loan fund, approved by the Grants, Housing and Community Development Committee, will be used by the Housing Authority to option or purchase land for Section 8 or Public Housing Units. The money will be used to hold property during HUD processing. Following HUD approval, the money will be repaid to the loan fund through the HUD contract.
- e. The City has established a \$2.0 million land writedown fund to reduce the cost of units to lower rents to levels eligible for HUD Section 8 subsidies. It is estimated that this program will provide 400 family units.

*Third Program for Objective #1

The City will facilitate common wall and "zero lot line" construction.

Implementation Strategy

The Planning Department will prepare amendments to the Zoning Code that will automatically permit the creation and deeding of new townhouse lots for construction of abutting walls by Parcel Map in the R2 and less restrictive residential zones in all commercial zones subject to the following limitations: a) width of not less than 25 feet, b) area of not less than 2,500 square feet, c) yards, except for abutting walls, passageways, and distances between buildings observe the full requirements of the zone, and d) density not exceeding that of the adopted Community Plan. Target Date: April 1980.

*Fourth Program for Objective #1

*Facilitate zoning adjustments to conserve residential use.

Implementation Strategy

A general amendment to the Municipal Code will be prepared to preclude reversion of (T) or (Q) classification to underlying, less restrictive zones after the (T) or (Q) classification expires in 3 or 4 years. This amendment will be prepared by the Planning Department and the City Attorney's office for the purpose of making the zoning consistent with the General Plan to ameliorate the problem of renewing zone change applications when projects are delayed. Target Date: April 1980.

Fifth Program for Objective #1

Promote residential development that will meet the special needs of the disabled, elderly, disadvantaged, large families, and other groups identifiable in terms of housing needs.

Implementation Strategy

Various City agencies shall continue to provide data to assist the Community Development Department in preparing the annual City HCD Block Grant Application. The Community Development Department will continue to recommend City housing priorities to the Mayor and City Council.

Sixth Program for Objective #1

Identify vacant or potentially reuseable land for housing sites throughout the City.

Implementation Strategy

- a. The Community Development Department, in conjunction with other City agencies, shall continue to identify suitable sites for new private and publicly assisted housing, with an emphasis on dispersal of low- and moderate-income residents and special housing needs groups. Among possible sites to be identified would be: surplus school sites, other public and institutional properties, and tax-delinquent properties. The evaluation shall measure access to transportation, employment, and service centers. Reports of these activities shall be made to the City Council for appropriate action.
- b. The Community Development Department will conduct a bi-annual review of the City's LUPAMS data file to determine the availability of City-owned land which could be leased or sold for a fee to provide sites for affordable housing for low- and moderate-income households.
- c. The Planning Department will complete a study to determine the desirability and feasibility of using air rights over flood control channels as possible means of lowering land costs for development. Target Date: October 1980.

Seventh Program for Objective #1

Continue operation and maintenance of City Housing Projects in good condition in accordance with all applicable health and safety codes to the extent that funds are or become available.

Implementation Strategy

- a. The Housing Authority shall continue under its conventional housing program to operate existing projects and continue to operate its Section 23 leased housing program units.
- b. The Housing Authority shall continue maintenance and recommend modernization of its units where appropriate. Whenever possible, existing units will be made accessible to the handicapped.
- c. The Fire and Building and Safety Departments will continue inspections of housing projects and units and issue citations and orders where appropriate to the extent that funds are or become available.

Eighth Program for Objective #1

Develop a flow of City mortgage funds at interest rates less than those of the current market.

Implementation Strategy

- a. The Community Development Department shall continue to confer with and encourage private financial institutions to work closely with the State Housing Finance Agency to make subsidies available for low- and moderate-income and special needs housing, consistent with the established legislative procedures of the City.
- b. The City will actively consider using fully all appropriate means to take advantage of tax-exempt financing for mortgage funds and will work closely with the State Housing Finance Agency and the Department of Housing and Urban Development to combine the reduced mortgage interest rates available through these programs with other subsidies so that low- and moderate-income families can be served. "SB 99", a Municipal Housing Finance Agency, a Municipal Housing Mortgage Insurance Program, a citywide nonprofit corporation, or local nonprofit corporations are some of the options available to the City. The Community Development Department, Housing Division has presented the City Council with an analysis of the alternatives available to the City with recommendations on the use of the various financing mechanisms and the municipal housing finance agency. Target Date: April 1980.

Ninth Program for Objective #1

The City will continue to utilize the SCAG "fair share allocation model" as an element in developing priorities for needed subsidized family housing units.

Implementation Strategy

- a. The Community Development Department will annually report to the City Council on the allocation utilized in distributing funding for subsidized housing units. Federally subsidized units will be reviewed to encourage the distribution of existing units on the basis of need, substantial rehabilitation units on the basis of location of units requiring improvement, and new housing units on the basis of a "fair share" plan. The fair share plan considers proximity to employment opportunities, income distribution, and taxes per capita, including both sales tax and assessed valuation.
- b. The Planning Department shall, with the approval of the City Council, develop specific plans for identified Centers and community business districts, which will include housing near areas of employment, as defined in the City's Housing Assistance Plan (HAP).
- c. The Community Development Department will urge SCAG to increase regional "outreach" advertising efforts by surrounding housing authorities in neighboring jurisdictions in order to expand housing opportunities for City residents and to eliminate residence requirements that limit City residents from qualifying for subsidy programs in adjacent cities, counties, and unincorporated areas of Los Angeles County.

Tenth Program for Objective #1

Maintain the Housing Element of the General Plan.

Implementation Strategy

The Planning Department, in cooperation with various City agencies and Housing Advisory Council, shall prepare a five-year update of the Housing Element of the General Plan, in accordance with the State guidelines and otherwise at the order of the City Council. The updated Housing Element will be submitted to the General Plan Advisory Board for review and recommendation for appropriate action by the City Council. An annual monitoring will be prepared by the Planning Department reporting on the implementation progress being made to the City Council.

Eleventh Program for Objective #1

Encourage financial institutions to demonstrate an affirmative action policy in lending practices.

Implementation Strategy

- a. The Mayor and City Council shall use the lending practices at the institutions as one criterion in making City deposits for any City funds available for discretionary deposit where competitive rates are available. The City shall seek legislative changes to permit the City more flexibility in depositing municipal funds. Target Date: April 1980.
- b. The City shall support Federal and State legislation to monitor and bring sanctions against government chartered financial institutions that practice a policy of geographic or racial discrimination in their loan programs.
- c. The City shall encourage changes in Federal and State law to permit greater local authority ("standing") to enforce by civil action against lending institutions that practice discrimination in loan programs.
- d. The City Attorney will investigate the possibility of filing law suits against any financial institution that practices redlining or racial discrimination.

Twelfth Program for Objective #1

The City will consider Municipal Code changes to increase housing choices.

Implementation Strategy

The Planning Department will undertake a study of the potential staff costs of revising the Municipal Code to include subdivision of larger homes, multiple-family use of large, single-family homes, and modification of owner-occupied units to allow additional rental units. Target Dates: Research to be completed by January 1980; changes, if necessary, to be drafted by October 1980.

*Thirteenth Program for Objective #1

The Community Redevelopment Agency will continue to give priority to the goal of expanding housing opportunities, especially for those of low and moderate income in planning and implementing redevelopment projects as permitted by State and Federal law.

Implementation Strategy

- a. The Community Redevelopment Agency will continue to address housing, especially for low- and moderate-income persons and families, in recommending the creation of additional redevelopment project areas for the City of Los Angeles, as well as in implementing redevelopment plans in its existing project areas.
- b. The Community Redevelopment Agency should continue to issue annual or biennial housing production reports (the first of which was issued in 1979), which summarize the level of new housing construction (as well as housing rehabilitation) that has been achieved in redevelopment areas and the portion of which is for low- and moderate-income persons and families.
- c. The Community Redevelopment Agency should attempt to reinstitute its Bunker Hill Low- and Moderate-Income Replacement Housing Trust Fund, which is empowered to provide various forms of housing assistance throughout the City. The flow of additional monies into this fund, created with a portion of tax increment proceeds from the Bunker Hill Redevelopment Project, was stopped as a result of the passage of Proposition 13. The CRA should carefully examine projections of future tax increment proceeds for the Bunker Hill project and determine if and when additional sums, up to a total aggregate amount of \$40 million, can be placed into this trust fund.
- d. The Community Redevelopment Agency should continue to work with neighborhood-based nonprofit groups to develop, sponsor, or manage low- and moderate-income housing.

OBJECTIVE 2

TO ENCOURAGE DESIGN IN HOUSING THAT WILL MINIMIZE ADVERSE ENVIRONMENTAL EFFECTS, ENHANCE PUBLIC SAFETY, ENCOURAGE ENERGY CONSERVATION, AND THE USE OF ALTERNATIVE ENERGY SOURCES, INCLUDING SOLAR POWER, AND OPTIMIZE ACCESSIBILITY IN HOUSING UNITS FOR THE HANDICAPPED AND ELDERLY.

POLICIES FOR OBJECTIVE #2

It is proposed to:

1. Encourage the housing industry to suggest changes in the Municipal Code to encourage desirable new concepts of housing design, technological innovations, and industrialization.
2. Encourage energy conservation and the use of alternative energy sources, including solar, in new residential developments.
3. Encourage builders to construct some new residential units in Los Angeles to be accessible to handicapped individuals and be adaptable for conversion to residential use by the handicapped.
4. Encourage development of new senior citizen projects that are reasonably accessible to public transportation and services.
5. Permit new mobile home developments under increased development standards.
6. Encourage builders to incorporate safety design features in new developments.

First Program for Objective #2

Develop energy ordinances that require the use of conservation features and designs in new and existing residential developments and in major rehabilitation.

Implementation Strategy

- a. The Planning Department, in conjunction with the Mayor's Office and other appropriate City agencies, will complete a Community Energy Management Plan leading to new ordinances that may include the use of energy conserving design features in new residences, such as landscaping, fluorescent lighting, roof overhangs, light-colored roofs, natural ventilation, controls on window area and orientation, glazed windows, natural lighting, maximum use of solar heating and natural cooling, and house orientation on lots. There is a likelihood that additional Building and Safety Engineering and Inspection staffing would be needed for enforcement. Target Dates: A study to determine the feasibility of the ordinance will be completed by April 1980, with the possible new ordinance to be completed by April 1981.
- b. The Planning Department, in conjunction with the City Energy Coordinator, will evaluate the feasibility of a proposed City ordinance requiring all new residences and existing homes offered for sale to include, for example, storm windows, clock thermometers, water heater blankets, and weather stripping. In addition, existing resale homes would have roof insulation to new home standards (R-19), and new homes would have solid core doors. City inspection will require extra staff numbering approximately 110. A nominal City fee may be one way to recover costs. Existing home review can occur jointly with the pre-occupancy inspection program (Objective 54, Program 4). Target Dates: The study will be completed by October 1980. The possible new ordinance to be completed by April 1981.

- c. City's Energy Coordinator shall continue to make available information on State and Federal tax rebates for homeowners implementing energy conservation improvements.
- d. The City Attorney will complete a proposal for a Solar Rights Ordinance that will protect solar access rights and limit use of nonrenewable energy sources in new projects. Enforcement may require additional Building and Safety Department and staff. Target Date: October 1979.
- e. The Planning Department will continue to actively investigate possible sources of grant funding for research pertaining to the development and application of the "solar envelope" concept and related land use planning techniques.
- f. The Department of Water and Power, in conjunction with other appropriate agencies, will undertake a life-cycle cost analysis of solar and electrical heating systems. If possible, gas heating also should be included. The study will attempt to determine the feasibility of a possible City ordinance requiring new residential developments to have solar energy as their primary means of water heating. Enforcement will require additional inspection staff. Target Date: October 1980.
- g. The Planning Department will continue to require EIR's to specify energy conservation measures to be utilized for proposed projects pursuant to City guidelines.

*Second Program for Objective #2

The City shall encourage accessibility and adaptability for the handicapped and elderly in the design and construction of new and rehabilitated housing, where appropriate.

Implementation Strategy

- a. The Community Development Department shall continue to consult with builders and those involved in housing rehabilitation to make provision for the needs of the handicapped and elderly, consistent with the City's established legislative procedures.
- b. The Community Development Department, in conjunction with the staff of the Mayor's Programs for the Handicapped and other affected City agencies, will undertake a feasibility study to determine the most cost-effective method to expand available and adaptable housing for the handicapped. The study will evaluate the current program operated by the Community Development Department and the possibility of requiring a small percentage of new units to incorporate features that would facilitate conversion for the special needs of the handicapped. Target Date: October 1980.
- c. The Housing Authority will continue to utilize Section 8 Aftercare and other Section 8 programs for new and existing housing for the non-elderly handicapped.

*Third Program for Objective #2

The City will study ways to improve security in residential construction.

Implementation Strategy

The Mayor's Office of Criminal Justice Planning and other City agencies will continue to investigate possible security design features to be incorporated in new residential construction that will reduce the incidence of crime. Where appropriate, research grants will be requested from outside sources.

*Fourth Program for Objective #2

The City shall take the necessary actions to encourage the location of all future projects for the elderly in or near "centers" identified in Concept, Los Angeles, community business districts, and in areas identified as lower street crime areas.

Implementation Strategy

The Planning Department, with the assistance of the Police Department, will develop criteria indicating appropriate locations for the elderly. The criteria will consider cost implications, as well as accessibility to necessary services. Target Date: April 1980.

*Fifth Program for Objective #2

Continue efforts to standardize the City Building Code with appropriate State and National building code agencies.

Implementation Strategy

- a. The Department of Building and Safety will recommend appropriate changes in the City Building Code to standardize it with respect to the national "Uniform Electrical Code", which is in the process of being adopted. Target Date: October 1980.
- b. The Department of Building and Safety will continue to work with the International Conference of Building Officials in the standardization of building codes.

OBJECTIVE 3

TO PROMOTE EQUAL OPPORTUNITY FOR ALL PERSONS REGARDLESS OF RACE, ETHNIC BACKGROUND, RELIGION, HANDICAP, INCOME, AGE, SEX, AND FAMILY COMPOSITION, TO PURCHASE, RENT, REHABILITATE, OR BUILD HOUSING THROUGHOUT THE CITY.

POLICIES FOR OBJECTIVE #3

It is proposed to:

1. Support equal opportunity practices in the sale, lease, or rental of housing without regard to race, ethnic background, religion, handicap, income, sex, age, and family composition.
2. Support equal housing opportunity legislation at the State and Federal level through the City's legislative process.
3. Oppose racial steering, block-busting, or any similar practice that restricts housing choice by arbitrarily directing prospective buyers and renters to certain neighborhoods or types of housing.
4. Encourage conservation of racially and economically integrated communities.

First Program for Objective #3

Support efforts to inform residents, real estate brokers, housing developers, financial institutions, and owners of rental property of laws regarding equal housing opportunity and particular legal responsibilities in housing.

Implementation Strategy

The City shall continue its responsibility to make available information regarding equal housing opportunity laws by supporting the Fair Housing Congress with funds for supplying information to all appropriate parties on their rights and responsibilities. This currently is "certified" in the Housing Assistance Plan and funded from the City's HCD Grant funds.

Second Program for Objective #3

The City shall continue to support legislation that promotes Fair Housing laws, consistent with its established legislative procedure.

Implementation Strategy

The City Attorney will continue to advise the City Council and Mayor on legislation involving Fair Housing.

Third Program for Objective #3

Recommend legal action to be taken to restrict discrimination in housing based on family composition within the City of Los Angeles.

Implementation Strategy

The City Attorney shall submit to the City Council an ordinance to prevent discrimination against families with children in the rental of housing accommodations. Target Date: April 1980.

The ordinance will take into account the following considerations:

- Identification, in the September, 1977 supplemental report to the SCAG Regional Housing Allocation Model, of inadequate rental housing for families with children as the largest single component of housing need in the SCAG Region.
- The recent appeals court ruling that establishes that children are a "protected class" with respect to access to rental housing under the Unruh Civil Rights Act.
- The exacerbation of problems caused by the current extremely low vacancy rate that exists in both market-rate and subsidized housing in Los Angeles.
- Circumstances in which exclusion of children could be warranted (e.g., housing for the elderly).
- The worsening of existing racial and ethnic segregation in schools, which is a direct result of the general unavailability of rental housing for children in the City and because certain ethnic and racial groups tend to be more severely limited in their choice of housing because of family composition or economic circumstances.

OBJECTIVE 4

TO ENCOURAGE HOUSING ASSISTANCE AND SERVICES FOR PERSONS DISPLACED AS A RESULT OF CITY ACTIONS.

POLICIES FOR OBJECTIVE #4

It is proposed to:

1. Commit the City to a policy of resorting to displacement only after all reasonably feasible alternatives have been explored and rejected.
2. Continue to request State, County, and Federal government agencies to assume responsibility for relocation resulting from their activities. The City will oppose all projects for which relocation plans are not provided.
3. Provide relocation services to persons displaced as a result of City action.
4. Give priority to local residents for placement in City-sponsored housing developments where City action results in the need for relocation.
5. Ameliorate the consequences of housing demolition occasioned by code enforcement.
6. Ensure that City relocation payments are utilized for housing.

First Program for Objective #4

Before any City project is authorized for design, a thorough review of all alternatives to minimize displacement will be undertaken. In those cases where displacement is unavoidable, the Division of Right of Way and Land of the Bureau of Engineering shall continue to offer relocation services before displacement and construction can begin.

Implementation Strategy

- a) Relocation Plans prepared by City agencies will be reviewed by the Community Development Department, Office of Economic Development, and the Planning Department, where appropriate, to ensure that conditions for minimization of residential and City business displacement, involvement of a City relocation specialist, and housing priority for displaced citizens are taken into account. Relocation efforts will also be monitored by the above city agencies. Target Date: April 1980.
- b) Right of Way and Land relocation staff will work from the beginning of engineering feasibility studies to ensure that the least disruptive alternative is developed. The City relocation plan will document this process.
- c) The Division Right of Way and Land will determine the feasibility of developing a program which sets aside large lump-sum City relocation payments in a fund to be paid to a future landlord or lender in order to guarantee that the money is utilized for housing. Target Date: October 1980.

Second Program for Objective #4

Where City Code enforcement causes demolition of residential units, counseling assistance shall continue to be offered by the Division of Right of Way and Land to those who are displaced.

Implementation Strategy

- a. Priority consideration should be given, in accordance with other Council actions, on priorities for these residents unable to find comparable housing if the City is able to construct new low- and moderate-income units in the future.
- b. The Community Development Department, where feasible, will attempt to secure move-on replacement units for lots where code enforcement demolition has occurred. A possible source of housing may be freeway right-of-way units. The City could recover costs of providing ownership units by a lien on the units collected on subsequent transfers of ownership. Rental units provided by the City could be administered by the Housing Authority.

*Third Program for Objective #4

Residential units located on land acquired by Right of Way and Land for new park sites will be relocated and utilized by the Community Development Department in target areas.

Implementation Strategy

The Community Development Department will give priority consideration to displaced residents for their own units, when these units are finally moved. The Housing Authority will be offered second priority. Target Date: April 1980.

*Fourth Program for Objective #4

The City will coordinate with Caltrans, the Community Redevelopment Agency, and other interested parties to relocate and replace residences displaced by freeway and airport construction to other locations within the City of Los Angeles.

Implementation Strategy

The City Council may authorize the Planning Department, the Community Development Department, the Community Redevelopment Agency, and other City agencies to facilitate the targeting of appropriate sites and secure the maximum number of available units. Acquired units will be made available for low- and moderate-income residents.

OBJECTIVE 5

TO IMPROVE AND CONSERVE EXISTING RESIDENTIAL NEIGHBORHOODS.

POLICIES FOR OBJECTIVE #5

It is proposed to:

1. Continue housing inspection activities and rehabilitation efforts in areas approved by the City Council.
2. Implement redevelopment/revitalization projects, neighborhood conservation, and preservation programs in areas approved by the City Council.
3. Continue City programs for financial participation by residents and property owners in order to initiate private conservation efforts in redevelopment or revitalization project areas.
4. Continue conservation and modernization of neighborhoods through rehabilitation activities and through new or improved public improvements and facilities.

5. Improve and coordinate service systems to support neighborhood conservation activities.
6. Develop programs to encourage home ownership in existing neighborhoods.
7. Support and expand programs to rehabilitate and upgrade commercial facilities serving neighborhoods being revitalized.
8. Continue to refine the City monitoring system to evaluate neighborhood quality.
9. Continue to promote a program of citizen education to achieve optimum self-help preventive maintenance throughout the City.
10. Minimize abandonment of residential structures by City efforts.
11. Undertake measures to discourage speculation in housing.
12. Afford protection to architecturally significant residences and assemblages of residences in order to preserve them as unique cultural resources.
13. Authorize increases in rental costs based on change of tenant; the cost of construction, rehabilitation, or improvements; equipment, furnishings, and services provided, as well as an appropriate inflation rate factor, during the existence of the City Rent Control Ordinance.
15. Develop methods to determine detailed neighborhood housing needs.
16. Establish programs to counsel homeowners to prevent foreclosures and questionable activities by contractors.
17. Continue a City program (HOPE) that encourages home ownership, home finance, and home maintenance.
18. Consider establishing a Municipal Housing Finance Agency.
19. Attempt to maintain ethnic, age, and income diversity of the population in communities where it exists.
20. Develop a rehabilitation code to facilitate maintaining existing housing.
21. Prevent, where possible, displacement from neighborhood strategy areas caused by City rehabilitation efforts.
22. Give priority to owner-occupants for rehabilitation loans for single-family homes when City funds are limited.

First Program for Objective #5

Continue to identify abandoned and vacant housing for rehabilitation as low- and moderate-income housing.

Implementation Strategy

- a. The Community Development Department will continue to monitor the current inventory of foreclosed and/or abandoned units.

- b. The Community Development Department will continue to request the cooperation of private lenders and City agencies to maintain an accurate inventory of vacant housing units, consistent with the City's legislative procedures.
- c. The Community Development Department will continue to negotiate with HUD to purchase, at minimum cost, additional numbers of foreclosed homes, where feasible, pursuant to the established legislative procedures of the City. These homes will again be rehabilitated and then offered on a lease/sale basis to low- and moderate-income persons.
- d. The Planning Department, Building and Safety Department, and City Attorney's Office will study measures that might be taken to minimize abandonment and will review the legal authority for possible expansion of programs to help prevent neglect and abandonment of low- and moderate-income rental housing. Target Date: April 1981.

Second Program for Objective #5

Assist residents and property owners in their efforts to rehabilitate their properties.

Implementation Strategy

- a. The Community Development Department or the Community Redevelopment Agency in the case of redevelopment/revitalization projects, will continue to participate directly with major lending institutions in securing commitments for loan funds so that residential property owners of single-family and multi-family housing, where appropriate, can receive rehabilitation financing, pursuant to the City's established legislative procedures.
- b. The City shall continue to encourage the establishment of Neighborhood Housing Skills Centers. The Skills Centers are currently funded from HCD Grant Funds and are available to City residents for counseling classes in property maintenance.
- c. The City shall encourage the Board of Education to offer various construction trade classes at selected high schools to increase the work force and reduce construction costs.
- d. The Community Development Department will continue to apply for federal funds to establish future Neighborhood Strategy Areas to rehabilitate and subsidize housing for low- and moderate-income families, as money becomes available. The identification of these neighborhood strategy areas shall be done in consultation with City Council Offices, the Community Redevelopment Agency, and the City Planning Department.
- e. The City will continue to support expanded Federal and State financial assistance for rehabilitation purposes, with special emphasis on securing additional federal Section 312 rehabilitation loans and seeking expanded funds from this program for multi-family and commercial rehabilitation, pursuant to the City's established legislative procedures.

Third Program for Objective #5

Continue to identify those neighborhoods where a comprehensive revitalization approach is necessary to counter neighborhood deterioration. This comprehensive approach, under the framework of a redevelopment plan, might include financial assistance for housing rehabilitation and conservation, new housing construction, demolition of properties where rehabilitation is infeasible, reparcellation of land, rehabilitation of or new development in the neighborhood commercial area.

Implementation Strategy

The Community Redevelopment Agency, City Planning Department, the City's Community Development Department, and City Council Offices will continue to work to identify residential neighborhoods where conservation efforts alone will not bring about the necessary level of revitalization. In these areas, improving and upgrading existing housing may have to be augmented, after consulting with the local community, by clearance, new housing construction, new and improved public facilities, and assistance for commercial development. In the past few years, the City has identified several areas where this type of a program is needed and which are "in planning" or under study as potential revitalization areas.

Fourth Program for Objective #5

Actively support State and Federal legislation to finance neighborhood conservation programs, through the City's legislative process.

Implementation Strategy

The Mayor and Council will continue to actively support attempts to extend and expand Federally-sponsored and State-sponsored rehabilitation programs and seek changes in such programs to better meet the needs of Los Angeles; the Mayor and City Council will seek to influence legislation establishing State-sponsored rehabilitation efforts.

Fifth Program for Objective #5

Continue code enforcement programs aimed at maintaining housing units in sound condition and encouraging neighborhood stability.

Implementation Strategy

- a. The Community Development Department will continue to provide a revolving loan fund through Federal Block Grant money to assist apartment and homeowners in making mandatory repairs to low- and moderate-income units.
- b. The Building and Safety Department will develop a proposal for a Pre-Occupancy Inspection Ordinance. It will establish a notification-referral system and require inspection whenever residential buildings of four or more units have a change of tenant. Target Date: April 1980.

The pre-occupancy inspection program should include the following features:

1. The program shall be self-sustaining on the basis of a fee assessed to the landlord to provide the extra Building and Safety staff needed to implement the program.
2. Emphasize code enforcement on multi-family investment properties, i.e., properties that are nonowner occupied.

3. Referral shall be based on requests for change in electric service from the Department of Water and Power.
4. The program will apply Citywide.
5. Exceptions to the requirements of the ordinance might be made in the case of recently approved new construction, remodeling or rehabilitation, or when a short interval had elapsed since the premises had successfully passed inspection.
6. Guidelines will be established to insure that referred properties are inspected in a timely manner to prevent delays in new occupancy.
7. The Building and Safety Appeals Board will consider potential hardships to homeowners who wish to sell a home with many code violations.

Sixth Program for Objective #5

Continue the use of existing public housing units to provide low- and moderate-income housing.

Implementation Strategy

The City Housing Authority will continue to operate its public housing projects to provide housing to eligible City residents. The City will continue to modernize these units, and improve the conditions of public service systems that serve these sites, where necessary funds are available.

*Seventh Program for Objective #5

The City will continue to enforce the current municipal rent control measure through April 1, 1980. The City will continue the "just cause" eviction provision presently found in the temporary Rent Control Ordinance.

Implementation Strategy

Monitoring: The Community Development Department, in cooperation with the City Attorney, will undertake a monitoring program to assess the effectiveness of the ordinance with respect to the following issues:

- Profitability and reasonable return on investment
- Evictions
- Effectiveness of tenant protection measures
- Vacancy rates and the effects of the ordinance on vacancy rates and tenancy turn-over
- Target Date: Starting in October 1979.

*Eighth Program for Objective #5

The City will consider municipal actions to curtail speculative investments in affordably priced, non-owner - occupied new housing units.

Implementation Strategy

The City supports changes in State and Federal legislation to impose a tax penalty to owners of new homes purchased for speculation and not occupied.

*Ninth Program for Objective #5

The City will implement its Historic Preservation Ordinance and Zone.

Implementation Strategy

City inspection will require extra Building and Safety staff. A nominal City fee may be one way to recover costs. Included in the implementation of the ordinance will be the following features:

- a. Specific areas designated as Historic Preservation Zones, in which overall scale and design will be maintained, even if new construction, alteration, demolition, or relocation takes place.
- b. A Historic Preservation Association shall be established within each Preservation Zone.
- c. Certificates of Appropriateness shall be obtained for all modifications undertaken within Preservation Zones from the Historic Preservation Association, the Cultural Heritage Board, the Planning Commission, or the City Council on appeal. Target Date: Starting October 1979.

*Tenth Program for Objective #5

The Planning Department will continue to work, where invited, in selected communities to identify which community development improvements are best suited to individual neighborhoods.

Implementation Strategy

The Planning Department will further refine its analytic techniques to match housing programs to housing needs. Target Date: Starting October 1979.

*Eleventh Program for Objective #5

The City will continue to operate a variety of community development programs and services aimed at rehabilitation of housing and improving public services and facilities.

Implementation Strategy

- a. The Community Development Department, in cooperation with other City agencies, will continue to determine Citywide community development needs and target available resources to meet identified needs. A three-year Housing and Community Development Strategy will be prepared that is consistent with the City Housing Element.

- b. The Community Development Department will continue to operate its existing housing programs and services. As appropriate, various changes in program and service locations and operations will be made to improve efficiency. (See Chapter III. D. for details of current Community Development Department programs.)

*Twelfth Program for Objective #5

Eliminate abuses of lien-sale contracts for home improvements.

Implementation Strategy

- a. The City will contract with a non-profit agency to establish an information and legal service to aid residents threatened with foreclosure caused by lien-sale contracts for home improvements. Target Date: October 1979.
- b. The City will support legislation pending in the State legislature to impose limits on the abuse of lien-sale contracts for home improvement loans. In accordance with established legislative procedures.

*Thirteenth Program for Objective #5

Advocate State legislation to allow temporary deferral of property taxes on increase in value resulting from rehabilitation in older urban areas.

Implementation Strategy

The City, through its legislative process, will support legislation to encourage rehabilitation.

*Fourteenth Program for Objective #5

Evaluate the need for a City Rehabilitation Code.

Implementation Strategy

Research into a new City Rehabilitation Code should be completed before adoption of a Pre-occupancy Inspection Ordinance. A Rehabilitation Code may be an important protection to apartment owners to help them understand what minimum health and safety requirements apply to their property.

The Building and Safety Department will determine the feasibility of incorporating a rehabilitation code into the existing Municipal Building Code. Target Date: October 1980.

OBJECTIVE 6

TO ASSURE THE DEVELOPMENT OF NEW HOUSING UNITS TO MEET THE CITY'S HOUSING NEEDS, CONSISTENT WITH GOOD PLANNING PRACTICE.

POLICIES FOR OBJECTIVE #6

It is the City's Policy to:

- 1. Increase to an optimum level the production of new housing in the City.

2. Take all steps possible to aid the development of needed housing by the private sector.
3. Actively seek public funds to help the bonding capability of the City produce housing for low-income residents of the City. Grants shall be utilized only as a secondary source when absolutely imperative.
4. Modify those Municipal Code provisions that exceed standards necessary for health, safety, and public welfare to promote construction of sufficient affordable housing.
5. Consistent with the City's adopted Concept Los Angeles and Citywide Plan, establish a range of housing densities in community plans to provide housing for all economic segments of the community based on the following guidelines:
 - a. Location of high density housing shall be encouraged primarily in "Centers", and where appropriate, in combination with compatible nonresidential uses. The City's Air Quality Management Plan encourages mixed land use in centers in accordance with Concept Los Angeles.
 - b. Location of medium density housing shall be encouraged primarily on the peripheries of "Centers", near community and neighborhood commercial facilities.
 - c. Location of low and very low densities shall be preserved and encouraged in areas between centers so designated by the General Plan.
6. Coordinate capital improvement programs, housing and community development activities, and community plans to support new housing.
7. Encourage the conversion of appropriate existing nonresidential structures to residential use.
8. Maintain and upgrade the quality of mobile home stock.
9. Minimize new construction in environmentally sensitive areas.
10. Include the optimum mix and maximum amount of low- and moderate-income housing units in all public redevelopment projects.
11. Expand low- and moderate-income housing construction with City-issued revenue bonds.
12. Authorize mobile home condominiums for new parks.
13. Support legislation that encourages greater housing production.
14. Encourage construction of rental housing.

First Program for Objective #6

Assist sponsors and developers desiring to produce both low- and moderate- and market income housing.

Implementation Strategy

- a. The Community Development Department shall continue to provide information, in the annual Housing Assistance Plan, regarding types and location of units that will receive the highest priority for public assistance programs, as determined by the Mayor and City Council.

- b. The Community Development Department and Housing Expeditor shall seek to accelerate the processing of those projects, which have received high priority. This may require extra City staff. Target Date: October 1979.
- c. The Community Development Department shall continue to make information on Federal and/or State subsidies and grants for low- and moderate-income housing available to sponsors and developers.
- d. The City Housing Authority shall continue to seek expansion of HCD Title II funds to help implement the 15% Low- and Moderate-Income Housing Ordinance in appropriate priority areas. This will be done pursuant to the City's established legislative procedures.
- e. A detailed study of the consolidation of permit processing will be completed by an Ad Hoc City Task Force. The ultimate implementation of the recommendations will depend upon final City approval and financial resources. A consolidated processing counter may be established first for building permits. Target Date: October 1979.
- f. The City will create with block grant funds the position of Housing Expeditor to improve the processing of residential projects. Target Date: October 1979.
- g. The City, through its legislative efforts, will request HUD to increase Sec. 8 Fair Market Rents to reflect more accurate figures for current units within Los Angeles. Target Date: October 1979.

*Second Program for Objective #6

The Community Development Department, Housing Division and the Community Redevelopment Agency will work jointly in efforts to utilize financing for new low-cost housing in the City. The City will initiate and/or support amendments to these statutes to make them more useful on a Citywide basis, pursuant to the City's established legislative procedures.

Implementation Strategy

- a. The Community Development Department, Housing Division and the Community Redevelopment Agency will work jointly in efforts to utilize Marks-Foran (Rehabilitation Loan) Bonds and SB 99 (New Construction) Bonds, where applicable.
- b. The City will initiate and/or support amendments to make the Marks-Foran and SB 99 statutes more useful on a Citywide basis, pursuant to established City legislative procedures.
- c. A City determination of the feasibility of using HCDA funds, Tax Increment Funds, or other sources of funds to guarantee possible new City bond programs for the construction of low- and moderate-housing will be made by April 1980.
- d. The City will support legislation to expand the use of Marks-Foran Bonds for infill in eligible target areas.

*Third Program for Objective #6

The City will consider issuing local revenue bonds to facilitate the construction of new residential units for low-, moderate-, and middle-income households. The proposal would involve mortgage writedowns and subsidizing land costs to private developers. Federal housing subsidies also may be available.

Implementation Strategy

The Community Development Department will complete a feasibility report and make recommendations to the City Council. Target Date: October 1979.

*Fourth Program for Objective #6

The City will implement a new policy to regulate mobile home park developments in order to ensure quality projects.

Implementation Strategy

In reviewing requests for new mobile home developments, the Planning Department will use the following criteria:

- a. Retain the present system of permitting mobile home parks as a conditional use.
- b. Restrict new mobile home parks to residential zones, consistent with adopted Community Plans.
- c. Reestablish the City's authority to enforce mobile home park development standards, if City funds for additional Building and Safety staff are authorized.
- d. Increase development standards for mobile home parks, including landscaping and buffering.
- f. Allow condominium sale of air envelopes surrounding each site in new mobile home parks.
- g. Increase standards for insulation and noise.

Target Date: October 1979.

Fifth Program for Objective #6

Encourage a variety of housing types including single family, townhouse, condominium, and apartment, as well as the use of hotels and motels.

Implementation Strategy

- a. The Planning Department shall continue to prepare community plans, which include a range of housing types and districts. The plans will continue to implement the goals of Concept, Los Angeles, which encourages high density developments in "centers", medium density adjacent to "centers", and low density residential areas between "centers".
- b. Although conversion of rental units to condominiums has reduced the overall stock of apartments in the City and worsened an already tight rental market, the Advisory Agency may approve condominium conversions, community apartments, and stock cooperative projects where the buildings are determined to be seismically safe and can be brought up to code requirements applicable at the time of construction, the current housing code (relative to maintenance), and any retroactive regulations. Consideration will also be given, when reviewing conversions, to the availability of comparable rental housing in proximity to the project site for those unable to purchase.

- c. The City will implement the current Condominium Conversion Ordinance, which requires the following:
 - 1. An appropriate fee to be charged per conversion unit to help in the production of new low- and moderate-income rental units.
 - 2. Disclosure by owner of intent to convert existing apartments to prospective renters.
 - 3. Inclusion of stock cooperatives under the Ordinance.
 - 4. Provision of relocation assistance to both "eligible tenants (all affected tenants) and "eligible tenants entitled to special protection" (the elderly, families with children, and handicapped individuals).

*Sixth Program for Objective #6

Monitor the present City ordinance relating to low-/moderate-housing for its effectiveness and make recommendations for change.

Implementation Strategy

The City Housing Authority will continue to prepare a quarterly status report for the City Council, specifying the types and locations of units produced under the 15% Low- and Moderate-Income Housing Compliance Ordinance. Changes to the ordinance will be suggested as necessary.

Seventh Program for Objective #6

Revise the Municipal Code, where consistent with State regulations, to permit flexibility to stimulate the construction of low- and moderate-income housing, without compromising the health, safety, and welfare of City residents.

Implementation Strategy

The Department of Building and Safety, in conjunction with the Planning Department and the Community Development Department, shall continue to review the Building Code and Planning and Zoning Codes in order to reduce development costs and allow new technology. The report shall be submitted to the City Council. Target Date: October 1980.

*Eighth Program for Objective #6

The Community Development Department, with other City agencies and representatives of the building industry and public interest groups, will undertake a feasibility study of various affordable housing production incentives, which will expand the City's 15% Low- and Moderate-Income Ordinance. Various innovative approaches to effect a wider distribution of low- and moderate-income households will be considered to increase the number of affordable housing units. Densities shall not exceed the maximum for any residential category established by a community plan.

Implementation Strategy

The Community Development Department, with other City agencies and representatives of the building industry and public interest groups, shall engage in a thorough study and report to the City Council of all measures with the same fundamental goals as the City's 15% Ordinance for possible incorporation in a comprehensive Affordable Housing Production Incentives Ordinance. The basic goal of the study will be to develop reasonable incentives to encourage development of

*Ninth Program for Objective #6

Where necessary for health reasons, the City will consider limiting new residential development in environmentally hazardous areas.

Implementation Strategy

The Planning Department will undertake a study to develop a new ordinance to minimize the unhealthful exposure of citizens in new residential projects located within a certain distance from major sources of pollution or other natural or manmade hazards. Target Date: October 1980.

*Tenth Program for Objective #6

The City will consider a municipal ordinance change to reduce parking requirements for elderly and handicapped housing developments.

Implementation Strategy

The Planning Department will develop an ordinance change to permit automatic parking reductions for special housing developments. Drafts of the ordinance will be circulated among affected agencies for their concurrence. Target Date: April 1980.

*Eleventh Program for Objective #6

Consider the reduction of parking requirements as a bonus for development of certain types of sites for multi-family housing.

Implementation Strategy

The Planning Department and the Transportation Department shall undertake a study of the feasibility of reducing parking requirements for new and converted multi-family residences that provide excellent accessibility to public transportation facilities and in centers along the Wilshire SCRTD starting line. Accessibility will be based on short walking distances and high levels of public transportation services. The guidelines will be reviewed periodically to reflect changes in public transportation services. All suggestions will be reviewed by the Fire and Transportation Departments. Target Date: April 1980.

*Twelfth Program for Objective #6

The City will consider modified street standards to reduce land costs in new subdivisions without compromising emergency access requirements.

Implementation Strategy

The Street Standards Committee will develop recommendations to reduce new local street widths. Drafts will be circulated among affected City agencies for their concurrence. Target Date: October 1979.

*Thirteenth Program for Objective #6

Modify City housing policy to support greater financial incentives for increased housing production.

Implementation Strategy

At the direction of the City Council and Mayor, the Chief Legislative Analyst will urge changes in State and Federal Legislation for the following areas:

- a. Lower the depreciation schedule for residential rental construction to 10 years.
- b. Eliminate State and Federal taxes on earned interest from savings accounts to encourage deposits for residential construction loans.
- c. Support continuation of the Cal-Vet loan program through established City legislative procedures.
- d. Support increased Cal-Vet mortgage limits and loan terms through established City legislative procedures.

Target Date: Starting October 1979.

*Fourteenth Program for Objective #6

Streamline EIR processing through the development of Master Community EIR's.

Implementation Strategy

The Planning Department will engage in a study of the feasibility of developing "Master Community EIR's". Target Date: April 1980.

OBJECTIVE 7

TO MAKE PROVISION FOR THE AVAILABILITY OF ACCESS TO ALL PUBLIC FACILITIES AND SERVICES IN ALL NEIGHBORHOODS THROUGHOUT THE CITY.

POLICIES FOR OBJECTIVE #7

It is proposed to:

1. Establish appropriate guidelines for regulating community care facilities.
2. Make accessible all public facilities and services throughout the City.
3. Encourage the development of additional public services and facilities, where appropriate, in previously developed areas.

4. Encourage the provision of adequate public facilities and services, where appropriate, prior to new residential development.
5. Review requests for City approval for mobile home parks for accessibility to necessary public services and facilities.

First Program for Objective #7

The City shall continue a comprehensive system to evaluate all public facilities and services and capital improvement programs. The City will implement, where appropriate, all State and Federally funded programs designed to expand the availability of public facilities and services in all neighborhoods throughout the City.

Implementation Strategy

The City Administrative Officer, with the advice of the Technical Committee for Capital Programming, will continue annual reviews of all requests for projects and facilities and recommend thereon to the Public Works Committee of the City Council. The Public Works Committee will recommend projects to the Mayor and Council for funding in the budget.

*Second Program for Objective #7

The City will develop standards for various types of community care facilities covering maximum numbers, distance between facilities, proper zoning classification, and appropriate geographic distribution.

Implementation Strategy

- a. Juvenile Court Standards will be submitted to the City Council by the Planning Department. Target Date: October 1979.
- b. The City will work on a joint City-County-State Task Force to determine appropriate standards for other types of community care facilities. Target Date: Beginning April 1980.

OBJECTIVE 8

TO PROVIDE THE OPPORTUNITY FOR MAXIMUM FEASIBLE INVOLVEMENT OF RESIDENTS AND ORGANIZATIONS IN HOUSING PROGRAMS OF DIRECT INTEREST TO THEM.

POLICIES FOR OBJECTIVE #8

It is proposed to:

1. Continue to involve residents in preparing the City's Housing and Community Development Program and Community Plans.
2. Encourage communities and neighborhoods to participate and promote neighborhood conservation, beautification, and rehabilitation programs.
3. Request that Federally-assisted programs provided maximum opportunity for citizen participation and input.
4. Establish a Housing Advisory Council to involve specialists and organizations that have direct interests in housing development.

First Program for Objective #8

Continue the Housing and Community Development (HCD) Citizen Participation Unit to encourage and facilitate public participation.

Implementation Strategy

The Community Development Department will continue to meet regularly with the HCD Citizen Advisory Committee to participate in planning and evaluation of HCD-funded activities.

Second Program for Objective #8

Increase resident-tenant opportunities to participate in project management in Federally-assisted housing programs.

Implementation Strategy

The Housing Authority shall report on all reasonable practices, which could result in the increase of resident-tenant participation in managing of housing projects.
Target Date: April 1980.

Third Program for Objective #8

A Housing Advisory Council will be established. The Council will serve to provide input to the annual status report and offer guidance on various housing issues facing the City as called on the City Council and Mayor. It should be composed of representatives of the following specialists and types of organizations:

- The City Community Development Department, Housing Coordinator
- The building industry

- The financial industry
- The construction trades
- A nonprofit housing development organization
- A homeowners' association
- A tenants' association
- The Citywide EIR Committee
- A residential architect
- A taxpayers' association
- Boards of Realtors and Realist Boards
- An apartment owner association
- L. A. Chamber of Commerce
- A housing economist
- The County Human Relations Commission
- The elderly
- The handicapped
- Public interest groups
- Low-/moderate-income homeowners
- Groups promoting the interests of Blacks, Hispanics, and Asian-Americans.
- The Chair of each of the following four Council Committees:
 - a. Planning and Environment Committee
 - b. Grants, Housing and Community Development Committee
 - c. Building and Safety Committee
 - d. Intergovernmental Relations Committee

In addition to the aforementioned, ex-officio members of the Council should include representatives from the Planning Department, Building and Safety Department, Mayor's Office of Economic Development, Community Redevelopment Agency, City Housing Authority, a member of the City Council, or designee.

The Housing Advisory Council should be established by the Mayor and/or Council and be chaired by the Mayor or his designee.

Target Date: April 1980.

C. Cost Matrix

The following cost matrix provides a brief summary of the principal funding sources that would be required for the programs enumerated in Chapter IV. Funding is particularly problematical as a result of the impact of the passage of Proposition 13 on the General Fund of the City, which is based principally on property tax revenues. General Fund - supported City agencies, such as the Building and Safety Department, would have to make significant allocations of existing staffs or expand staff levels in implementing many of the programs proposed in the Housing Element.

PROGRAM COST MATRIX

TABLE 29

PROGRAM	FEDERAL GOVT.		HUD GRANT	STATE GOVT.		GEN REV	CITY GOVT.		NO COST
	HCDA	OTHER		H&CD	HFA		LOCAL BONDS	FEES	
BJI P(1)	X								
P(2)	X					X			
P(3)						X			
P(4)									X
P(5)	X					X			
P(6)	X					X			
P(7)						X			
P(8)	X								
P(9)	X					X			
P(10)						X			
P(11)						X			
P(12)						X(Study)			
P(13)									X

PROGRAM COST MATRIX

TABLE 29 (CONT.)

PROGRAM	FEDERAL GOVT.		STATE GOVT.			CITY GOVT.		NO COST
	HCDA	OTHER	HUD GRANT	H&CD	HFA	GEN REV	LOCAL BONDS	FEES
OBJ 2 P(1)		X				X		X
P(2)	X					X		Private Lot
P(3)	X	X				X		
P(4)						X		
P(5)						X		
OBJ 3 P(1)	X							X
P(2)								X
P(3)						X		
OBJ 4 P(1)						X		
P(2)						X		
P(3)						X		
P(4)						X	X	

PROGRAM COST MATRIX

TABLE 29 (CONT.)

PROGRAM	FEDERAL GOVT.		HUD GRANT	STATE GOVT.		CITY GOVT.		NO COST
	HCDA	OTHER		H&CD	HFA GEN REV	LOCAL BONDS	FEEs	
OBJ 5 P(1)	X		X		X			
P(2)	X							X
P(3)	X	X		X	X	X		
P(4)	X			X				X
P(5)	X						X	
P(6)	X							
P(7)	X							
P(8)								X
P(9)					X		X	
P(10)					X			
P(11)	X				X			
P(12)	X							
P(13)								X
P(14)					X			

PROGRAM COST MATRIX

TABLE 29 (CONT.)

PROGRAM	FEDERAL GOVT.		HUD GRANT	STATE GOVT.		CITY GOVT.		NO COST
	HCDA	OTHER		H&CD	HFA GEN REV	LOCAL BONDS	FEEES	
OBJ 6 P(1)	X			X	X			
P(2)	X				X	X		
P(3)	X					X		
P(4)								X
P(5)								X
P(6)					X			
P(7)	X				X			
P(8)	X				X			
P(9)					X			
P(10)					X			
P(11)					X			
P(12)					X			

PROGRAM COST MATRIX

TABLE 29 (CONT.)

PROGRAM	FEDERAL GOVT.		HUD GRANT	STATE GOVT.		CITY GOVT.		NO COST
	HCDA	OTHER		H&CD	HFA GEN REV	LOCAL BONDS	FEES	
P(13)								X
P(14)					X			
OBJ 7 P(1)					X			
P(2)					X			
OBJ 8 P(1)	X							
P(2)					X			
P(3)								X

D. Program Priority Matrix

The following program priority matrix is a summary of new programs enumerated in Chapter IV. The programs are given an overall rating of "High", "Medium" or "Low", based on a qualitative assessment of the seriousness of a given problem, the potential effectiveness of the program, the cost of implementing or deferring a program, effects on unit cost and availability, and technical and political feasibility.

TABLE 30

PROGRAM PRIORITY MATRIX

PROGRAM	HELPS SOLVE SERIOUS PROBLEM			EFFECTIVELY ADDRESSES PROBLEM			IMPLEMENTATION COST IS NOW AFFORDABLE			PROMPT IMPLEMENTATION WILL COST LESS THAN DELAY			WILL INCREASE UNIT COST			WILL INCREASE UNIT SUPPLY			USES EXISTING TECHNOLOGY			HAS POLITICAL SUPPORT			OVERALL PRIORIT RATING
	Y	N	?	Y	N	?	Y	N	?	Y	N	?	Y	N	?	Y	N	?	Y	N	?	Y	N	?	
Abandonment prevention p. 92			X	X			X			X			X					X	X					X	MEDIUM
Air rights for housing p. 82		X		X			X					X	X		X				X					X	LOW
Board & care facilities p.104		X				X	X					X	X		X				X					X	LOW
Building Code consistency p. 88	X					X			X	X			X					X				X			MEDIUM
Century Freeway re- placement housing p. 91	X			X			X			X			X		X				X			X			HIGH
Child anti-discri- mination ordinance p. 89	X			X			X					X	X		X				X			X			HIGH
Community Develop- ment Dept. pro- grams p. 96-97	X					X	X			X				X	X				X			X			HIGH
Condominium con- version regula- tions p.100-101			X	X			X			X			X		X				X			X			HIGH
CRA work programs p. 85	X					X	X			X			X		X				X			X			HIGH
Elderly projects in Centers p. 88			X			X	X					X		X				X	X					X	LOW
Environmental criteria p. 102		X		X					X			X		X		X			X					X	LOW
Financial incen- tives for housing production p.103	X			X			X			X			X		X				X			X			HIGH

TABLE 30 (CONT)

PROGRAM	HELPS SOLVE SERIOUS PROBLEM			EFFECTIVELY ADDRESSES PROBLEM			IMPLEMENTATION COST IS NOW AFFORDABLE			PROMPT IMPLEMENTATION WILL COST LESS THAN DELAY			WILL INCREASE UNIT COST			WILL INCREASE UNIT SUPPLY			USES EXISTING TECHNOLOGY			HAS POLITICAL SUPPORT			OVERALL PRIORITY RATING
	Y	N	?	Y	N	?	Y	N	?	Y	N	?	Y	N	?	Y	N	?	Y	N	?	Y	N	?	
Handicap adapta- bility p. 87		X		X					X	X			X				X		X					X	MEDIUM
Historic preserva- tion p. 96		X		X			X			X			X				X		X			X			MEDIUM
Home counseling-- lien foreclosure p. 97		X		X			X			X			X				X		X			X			MEDIUM
Housing expeditor p. 99	X			X			X			X			X			X			X			X			HIGH
Housing production program p. 80	X			X			X			X			X			X			X			X			HIGH
Improve target area delimitation p. 96	X			X			X			X			X			X			X			X			HIGH
Affordable Housing Incentives p. 101-102	X			X			X			X			X			X			X				X		HIGH
Legislative changes p. 103	X			X			X			X				X		X			X				X		HIGH
Local revenue bond funding p. 99-100	X			X			X			X			X			X			X				X		HIGH
Marks-Foran/SB99 Bonds p. 99	X			X			X			X			X			X			X				X		HIGH
Master EIR's p. 103		X		X			X			X			X			X			X			X			MEDIUM
Mobilehome standards p. 100		X		X			X				X			X		X			X			X			MEDIUM
Multiple uses of large houses p. 84		X				X			X			X			X		X		X				X		LOW

TABLE 30 (CONT)

PROGRAM	HELPS SOLVE SERIOUS PROBLEM			EFFECTIVELY ADDRESSES PROBLEM			IMPLEMENTATION COST IS NOW AFFORDABLE			PROMPT IMPLEMENTATION WILL COST LESS THAN DELAY			WILL INCREASE UNIT COST			WILL INCREASE UNIT SUPPLY			USES EXISTING TECHNOLOGY			HAS POLITICAL SUPPORT			OVERALL PRIORITY RATING
	Y	N	?	Y	N	?	Y	N	?	Y	N	?	Y	N	?	Y	N	?	Y	N	?	Y	N	?	
MSA program ex- pansion p.94	X			X			X			X				X	X				X			X			HIGH
Parking require- ment reduction p. 102		X		X			X			X			X			X			X				X		MEDIUM
Park-site house removals re- located p. 91		X		X			X			X			X					X			X				LOW
Pre-occupancy in- spection p. 94-95	X			X			X			X			X			X			X			X			HIGH
Rehabilitation tax deferral p.97		X		X			X			X			X			X			X			X			MEDIUM
Relocation assi- stance p. 90		X		X			X			X				X				X			X				LOW
Rent control p.95	X					X	X					X		X		X			X			X			MEDIUM
Security features p. 87-88		X		X			X					X	X			X			X			X			LOW
Solar ordinance p. 87	X			X			X			X			X*			X			X				X		HIGH
Speculation control p. 95-96		X				X			X			X	X					X				X			LOW
Street standards p. 102		X				X	X					X	X					X					X		LOW
Zero lot-line development p. 81		X				X	X					X	X									X			LOW
Zone changes p.81		X				X	X					X	X									X			LOW

*Initial cost will be recovered through energy savings. Program is a Net cost saver overtime.

V. ADMINISTRATIVE ACTIONS

A. Public Participation

Prior to submission of the Housing Element to the State for preliminary review in March 1979, the Planning Commission conducted a public workshop on the initial draft of the Housing Element. Participants in this workshop were drawn from throughout the community. Representatives of interested groups and industries were invited to attend. The assistance of City Council members in eliciting participation from their constituencies assured a broad representation of citizen interest. A Citywide press release was sent to all major media sources to invite public attendance at the initial public workshop. The participants in this workshop provided a source from which participants in subsequent public reviews were drawn. A formal Housing Advisory Council is proposed to be created in Chapter IV of this plan.

A more formalized public participation process was utilized for plan development subsequent to the preliminary submission of the plan to the State. This process is outlined below.

The Planning Department:

- Step 1 - Notified each citizen organization already participating on City housing advisory panels at the beginning of each formal review of the Housing Element.
- Step 2 - Sought active participation through meetings with members of each citizen organization in the formal review of the Housing Element.
- Step 3 - Forwarded drafts of the proposed Housing Element to business, civic, and citizen organizations for their review.
- Step 4 - Met with business, civic and, citizen organizations to review comments and recommendations regarding proposed amendments to the Housing Element.
- Step 5 - Conducted public meetings to discuss proposed amendments to the Housing Element.
- Step 6 - Incorporated proposed changes into the Housing Element.
- Step 7 - Distributed the proposed final revisions to all participating business, civic and, citizen organizations and, as requested, to the public at large.
- Step 8 - Received written comments regarding the revisions to the Housing Element.
- Step 9 - Integrated the comments into the Housing Element.
- Step 10- Printed and distributed final copies of the Revised Housing Element to all participating businesses, civic, and citizen organizations and, as requested, to the public at large. These documents also were submitted to the City Planning Commission for review.

B. Intergovernmental Coordination

This Housing Element is the coordinating document for long-range housing policies and programs for the City of Los Angeles. The Planning Department has estimated and projected housing needs through a variety of sophisticated procedures. Implementing agencies have provided information on the status of existing projects and prospects for the future. Finally, the policies and programs in Chapter IV have been developed through extensive consultations with groups representing producer and consumer interests, as well as affected City departments and bureaus. This comprehensive approach will be continued in annual reports to the City Council and in periodic updates.

In order for the Housing Element to be a meaningful document, each City department affected by the plan will be expected to refer to the program section for implementation. In addition, the policies of the plan should be referred to in determining future department actions to ensure consistency with overall adopted City housing policy.

One of the purposes of the Housing Element is to assure governmental coordination of housing research and programs. Toward this end the Housing Element explains the housing research and programs within the City and describes the role of the entities involved with each of these.

In addition to the preliminary state review and public participation procedures discussed in Section A above, the internal review process through which the Housing Element will routinely pass will subject it to review by: General Plan Advisory Board, the Planning Commission, and the Planning and Environment Committee of the City Council before going to the full Council and Mayor.

The governmental agencies that have a significant interest in housing are identified below. Major outside governmental jurisdictions will be given the opportunity to review the City's new Housing Element. Internal City review will include all major municipal agencies. The role of most of these agencies is discussed in the Housing Element and includes the following levels of governmental review:

- a. City of Los Angeles
 - 1) City Planning Department
 - 2) City Housing Authority
 - 3) Community Development Department
 - 4) Community Redevelopment Agency
 - 5) Department of Building and Safety
 - 6) Department of Public Works
 - 7) Mayor's Programs for the Handicapped
 - 8) Mayor's Office of Economic Development
- b. Adjacent cities
- c. County of Los Angeles--Regional Planning Commission
- d. Southern California Association of Governments
- e. State of California--Department of Housing and
Community Development
- f. United States Government--Department of Housing and
Urban Development

C. Consistency of the Housing Element with the General Plan

The Housing Element is one of nine required elements of the City's General Plan. The State "Guidelines" specifically require that "other General Plan elements must be reviewed, and any inconsistencies or incompatibilities resolved." The goal is to ensure coordination between all General Plan elements and the Housing Element.

Present Level of Plan Consistency

Concept, Los Angeles and the Citywide Plan provide the fundamental background for the General Plan and future planning in the City. Concept, Los Angeles is a statement of long-range goals for the form and development of the City. The Citywide Plan contains the policies and programs to be implemented during the next 20 years to achieve the goals set forth in Concept. As such, the Citywide Plan includes policies and programs involving land use, i.e. housing, commerce, industry, open space, circulation, service systems, and the environment.

A key feature in Concept, Los Angeles is the idea of encouraging the concentration of future development throughout the City in "Centers". The emphasis on Centers will favor the agglomeration of residences, businesses, public service facilities, schools, and parks, while maintaining the low-density, single-family residential character of the City's existing suburban areas. Concentration will minimize adverse impacts on the environment by discouraging future urban sprawl and encouraging the preservation of open space. Energy efficiency will also be encouraged by the Centers approach.

The Housing Element will serve as a guide to the housing portion of each community plan. As such, the element contains data and forecasts of residential density and other pertinent parameters for all areas of the City. The community plans, in turn, will provide more specific detail on unique community needs and resources, including provision of adequate services, appropriate areas for the encouragement of particular densities, and abatement of hazards. The Community Plans are considered to be the Land Use Element of the General Plan.

The following exhibit and chart indicate the overall framework of the City's General Plan with which the Housing Element will conform. Exhibit "A" provides a list of the elements of the City's General Plan. The chart shows the basic relationship of the nine mandated elements to the four areas of fundamental issue in the Housing Element. Appendix "A" lists those policies of other General Plan elements that directly affect housing. This appendix also includes an evaluation of the effects of the policies on the housing supply in the City.

There are a number of conclusions to be reached from the comparison of existing policy statements on housing with other Citywide elements and the Housing Element policies:

1. There are no apparent inconsistencies between various adopted policy statements and the policies proposed in the Housing Element. While each element has a different emphasis, there is no evidence of policies working at cross purposes.
2. Certain policies in some of the environmental elements, such as the Conservation and Seismic Safety Plans, will increase the cost of new housing, relocation, or rehabilitation. As an example, structural improvements to earthquake-prone unreinforced masonry buildings could eventually affect 70,000 people living in such structures.

Restrictions on grading and density in the Santa Monica Mountains will greatly reduce the maximum permitted development in that area. Upper-middle and upper income families are likely to be most affected by projected cost increases because only these groups can afford the increased design and construction features in this environmentally sensitive and prestigious area.

3. The policies contained in the Housing Element reflect and reinforce the environmental policies of other General Plan elements. For example, programs in other plans that emphasize improved public transportation will increase the mobility of the poor, the elderly, and the handicapped, who are the most constrained in housing choice. On the other hand, the clustering of new housing with other activities will foster job opportunities and improved health care because of greater accessibility.
4. The maximizing of housing production is not an end in itself. Shelter exists within a system of urban needs that are interrelated. A balance among the various components of the local system must be maintained. This is recognized by the proposal to phase housing development to the adequate provision of necessary public facilities, services, and utilities. This Plan also acknowledges the need to establish minimum housing quality standards, which can reduce some long-range housing costs. For example, proper insulation will reduce energy costs.

Other General Plan elements define and expand the conditions that are necessary for adequate shelter. Locating housing in dangerous areas, such as those with geological problems or in locations subject to unhealthful conditions, is counter-productive to improving the overall quality of the local housing stock. The City is equally concerned with quantity, as it is with the quality, of residential units. Through a comprehensive appraisal of the City's housing problems, various General Plan policies can be effectively utilized in meeting the housing needs of all economic and social segments of the City.

5. The policies contained in the Housing Element, which embrace the housing policies of the California Coastal Act of 1976, will also be reflected in the City's Local Coastal Plan (LCP), currently under preparation. The LCP, when certified by the California Coastal Commission in 1981, will be integrated into the appropriate Community or District Plans. Although tailored to the needs of coastal areas, all LCP housing goals, policies, and programs will be consistent with those in the Housing Element and will be drawn from goals, policies, and programs which will be effective and available Citywide.

EFFECTS OF THE HOUSING ELEMENT ON HOUSING-RELATED POLICIES OF OTHER MANDATORY

GENERAL PLAN ELEMENTS

KEY

- A) No new restriction on housing supply.
- B) No new restriction on housing supply but some increase in housing cost possible.
- C) Temporary restriction on overall housing supply possible.
- D) Permanent restriction on overall housing supply possible.

NOISE POLICIES

Impact

- A 1) Noise surveys should be conducted to aid in determining land use policies.
- B 2) Acoustical privacy should continue in new multi-family dwellings.
- D 3) In areas subject to unusual, loud, or continuous noise, population densities and building intensities be regulated to protect occupants from noise.

CONSERVATION POLICIES

- C 1) In areas identified as having wastewater facility deficiencies, the City should restrict future development, deny zone changes to higher densities and/or intensities, subdivisions, and conditional uses until these deficiencies are corrected.
- D 2) The City should restrict uses on lands subject to inundation.
- C 3) The City should continue to limit and restrict the issuance of permits for septic tanks and require sewer connection as sewers are available.
- D 4) Hillside areas of the City should be controlled and regulated in order to minimize grading and flood control projects and to limit sedimentation and soil erosion.
- D 5) Zoning provisions should be enacted or revised to better control uses of privately owned open space areas and to encourage the establishment of an open space zone.
- D 6) The City should provide maximum protection for the Angeles National Forest by utilizing zoning controls to prevent inappropriate uses on adjacent private land.
- A 7) All development within the areas of potential soil erosion hazard should continue to meet soil test criteria, standards and procedures required by the Bureau of Engineering and the Department of Building and Safety.

- D 8) In areas of high erosion potential, development should be minimized or avoided.
- D 9) The City should consider soil capability and limitations when evaluating zone change requests.
- D 10) The City should assure that agricultural land use is maintained where so designated by the General Plan.
- D 11) The City should restrict land uses in important wildlife habitat areas.
- A 12) Tentative subdivision maps in key wildlife areas and/or ecologically important areas should be submitted to the appropriate agency for review of possible damage to wildlife habitat and violation of laws with respect to endangered species.
- B 13) Endangered archaeological and paleontological sites should be protected by an ordinance that provides for permits, procedures, and provisions for salvage excavations.
- B 14) Plans and programs that increase energy efficiency and minimize energy utilization by residential, commercial, or industrial users should be encouraged.

OPEN SPACE POLICIES

- D 1) Ecologically important areas should be kept in a natural state to the maximum extent feasible.
- B 2) Alteration of drainage patterns should be minimized in the development of any land in mountain areas.
- D 3) Stream and wash areas should be conserved, except where improvements are necessary to protect life and property in developed areas.
- D 4) Cultural and historical monuments located on Open Space Lands should be preserved.
- D 5) The amount of earth moved in grading operations within desirable open space areas should be limited and closely controlled. Aesthetic considerations should be incorporated into the City's approval of grading plans in these areas.
- D 6) Subdivision and zoning regulations should provide standards emphasizing natural and topographic values and constraints through: density and/or intensity limitations, establishment of access standards, availability of public services, consideration of natural hazards, employment of aesthetic and safety aspects of grading practices and environmental preservation. These considerations are especially important with respect to preservation of vegetative cover and minimization of sheet erosion.
- D 7) Zoning provisions to better control uses of privately owned open space areas should be enacted or revised to include the establishment of an open space zone, which should provide for appropriate uses of open space consistent with this plan.

- A 8) Private development should be encouraged to provide ample landscaped spaces, malls, fountains, rooftop green areas, and other aesthetic features that emphasize open space values through incentive zoning practices or other means.
- D 9) Where development is allowed in ecologically important areas, the intensity of development should be kept at a minimum consistent with reasonable uses of the land. All measures should be taken to protect these areas, including buffering ecologically important areas from conflicting or detrimental uses.
- D 10) Hazardous open space areas, including property especially subject to fire, steeply sloping hillsides, and geologically unstable lands, are threats to the public safety. Proposals for their use should be evaluated in light of more restrictive grading requirements, better provision for access, and lower densities and/or intensities of development.
- A 11) The City should provide for density transfers or reallocations to private land owners in order to secure and/or preserve open space areas, green belts, parks, and cultural, historical, and scenic features.
- B 12) Private Development that occurs in proximity to desirable open space areas should include roads and trails adequate to serve both that development and the immediately adjacent recreation and open space areas.
- A 13) The City should encourage that appropriate open space be retained or created in Federally-assisted programs, such as Model Cities, Urban Renewal, and Neighborhood Development Program Areas.
- A 14) Impact areas should receive priority of funding for open space purposes, particularly with respect to providing recreational facilities.

SAFETY POLICIES

- A 1) All new development in mountainous brush areas shall be supplied with an adequate water supply and be provided with streets to accommodate emergency vehicles or traffic that may be generated by evacuation necessitated by fire.
- B 2) Temporary fire protection facilities may be required by the Fire Department during building construction.
- A 3) Large condominium and townhouse complexes, high-rise structures, and other large developments shall be provided with adequate fire protection systems and devices.
- A 4) Immediate and safe access to all areas of development should be provided for firefighting personnel.
- B 5) Buildings should be designed to compensate for geologic hazards and meet varying requirements based on risk, type of occupancy, and location.
- D 6) Building permits should be withheld from construction on sites of designated geologic hazard until such time as protection of life and limb can be established.

- D 7) Geologic hazard should be a basis for designating and maintaining low densities or preventing development altogether on slopes of questionable stability.

SEISMIC POLICIES

- D 1) Geologic and seismic criteria and soils information should be used as determinants of appropriate new development and types of construction in designated study areas.
- B 2) Buildings that do not meet requirements for seismic safety should be strengthened or demolished in an orderly manner.
- B 3) Priorities for seismic upgrading of existing buildings should be based on hazard to life, type of occupancy, the location of the structure, and the capability of the structure to withstand earthquake forces.
- B 4) Residents of hillside lots should be encouraged to take steps to reduce the risk of landslides by proper maintenance.

CITYWIDE PLAN POLICIES

- D 1) Maintain balance between land use, circulation capacities, and service systems.
- D 2) Preserve low densities where appropriate.
- B 3) Promote rehabilitation where appropriate.
- A 4) Encourage low-income housing throughout the City.
- 5) Utilize all available government assistance housing programs.
- A 6) Locate housing for the elderly with convenient access to transportation facilities.
- A 7) Encourage use of planned residential development.
- A 8) Encourage use of new concepts in housing design and technical innovations.
- B 9) Provide open space for recreation and soundproof multiple dwellings.
- A 10) Revise tax laws to provide incentives to property owners to make improvements.
- A 11) Assure availability of an adequate quantity of quality relocation housing.

SCENIC HIGHWAYS POLICIES

- D 1) Corridor Plans for each Scenic Highway should be prepared and adopted to establish corridor boundaries and development controls in harmony with each corridor's individual scenic character of concept.

- C 2) On designated Scenic Highways, where a Corridor Plan is called for and the Corridor Plan has not yet been adopted, reasonable interim control measures should be applied on a case-by-case basis where necessary to meet the objectives, standards, and criteria of this Plan. Such measures should be applied to applications including subdivisions, parcel maps, zone changes, conditional uses, zone variances, and public works approvals. These measures would include the following: appropriate landscaping; contour grading; screening, if appropriate; hiking, bicycle, and equestrian trails; view protection; and provisions of scenic turnouts, vista points, rest stops, and other complementary facilities.
- D 3) The City's system of Scenic Highways should be coordinated, where possible, with systems proposed by adjacent cities, the County, and regional and State agencies.
- A 4) The City's system of Scenic Highways and Corridors should accommodate various forms of transportation, including bike routes and recreational, equestrian, and hiking trails, where compatible with safety, established standards and criteria, and scenic characteristics.
- B 5) Scenic features should be recognized as valuable City resources, important to a healthy, viable environment and to the well being of all citizens.
- B 6) Scenic Resources, including natural and man-made features, should be identified, preserved, and enhanced.
- A 7) The visual environment in those areas of the City without evident Scenic Resources should be improved through development of man-made scenic features.
- A 8) Individual citizens and private organizations should be made aware of opportunities to enjoy, protect, and develop the City's Scenic Resources.
- D 9) Affected City agencies should develop policies, regulations, standards, criteria, and procedures necessary to implement the intent and provisions of this Plan.

CIRCULATION

No written policy document currently exists, although a periodically revised map of Highways and Freeways exists to guide City policy planning.

Future Plan Revisions

Formal Consistency. The present level of consistency among the various Elements of the General Plan is satisfactory insofar as there is a formal, explicit recognition in each element that reference be made to the other elements. As noted above, however, there are variations in emphasis among the plans. To a degree, this can be seen as a recognition of the variation of emphasis among the areas served by the plans and indicates a conscious policy to reflect actual situations in each plan area.

Functional Plan Integration. Concept, Los Angeles provides an organizing framework to carry plan consistency beyond its present formalized status toward a genuinely functional integration of the various Elements of the General Plan. Functional plan integration will require that future revision and amendment of Plan Elements include a procedure for bringing them entirely into accord with the policies and objectives of the Citywide Housing Element and Concept Los Angeles Plan. Part of this can be accomplished incrementally as a function of the periodic revision of plan elements. A necessary initial step in functionally integrating the Elements of the General Plan will be an updating and refinement of the Concept, Los Angeles Plan. Sufficient time has elapsed since its adoption for a determination to be made of the areas in which it was accurate in its predictions and those areas in which did not develop as anticipated.

Zoning Adjustments

A major area of concern in terms of plan consistency is that an explicit, conscious effort be made to assure that on-going zoning adjustments in community plans, as well as those mandated by AB 283, be conducted in a manner consistent with both the Housing Element and Concept, Los Angeles. The convergence of a statutorily-mandated deadline to complete the on-going zoning adjustment process and the updating and revision of the Housing Element provides a unique opportunity to revise the Concept, Los Angeles Plan in the context of concrete plans that include definitive implementation mechanisms.

The residents of the City have expressed a preference for conserving the present relatively low-density character of residential neighborhoods. However, the prospect of enhanced property values makes many property owners reluctant to relinquish the potential for increased density on their property attendant to excess zoning and plan capacity. The Concept, Los Angeles Plan provides a necessary planning and political context for apportioning the growth that will occur in Los Angeles in the most equitable and environmentally sound manner. By encouraging growth in Centers, the overall impacts of new development can be mitigated and serviced in the most cost-effective manner. Encouraging lower density sprawl would be contrary to the Concept Plan and the overall interests of the City as a whole.

Consistency with the City AQMP (Air Quality Management Plan)

The City's AQMP contains explicit guidelines regarding the character of future growth and development in Los Angeles. In order to be consistent with the AQMP, public development efforts should maximize a reliance on public transit and promote maximum adjacencies among residential, employment, commercial, and recreational land uses. In addition, the Housing Element should pay particular attention to provisions in the AQMP regarding location of pollution-sensitive receptors.

D. Environmental Review

The City developed justification, based on an Initial Assessment, to permit a Negative Declaration to be issued.

E. Resolution of Adoption

(To be included in the Adopted 1979 City Housing Element when it is submitted to the State.)

F. Provision for Update

The State Guidelines (Section 6472) provide for a formal periodic update of the Housing Element and suggest a more frequent informal annual update. The Guidelines suggest incorporating a yearly report on housing elements into annual reports that each local planning agency must file with its governing board pursuant to Government Code Section 65400(b).

Monitoring and Implementation. A Plan monitoring and implementation system is proposed below.

- (1) Plan Consistency. The monitoring system will assess consistency between the Housing Element and future updates of Concept, Los Angeles and the 35 Community Plans.

Future work undertaken by the Planning Department on specific plans or limited neighborhood studies within a community will refer to appropriate programs in the Housing Element.

- (2) Program Implementation. The monitoring system will provide detailed information on each program in the housing element.

This information will form the basis for the mandatory update of the housing element which must include the following:

- (a) An evaluation of the effectiveness of the housing program in reaching established goals and objectives.
- (b) An identification of plans that the locality has undertaken since the last update or intends to implement in the future.
- (c) An identification of current plans that have been discontinued since the last update or that are to be discontinued.

- (3) Monitoring Procedures. Procedures and a reference manual will be developed by the Planning Department, Citywide Section, to ensure both plan consistency and program implementation.

- (a) In evaluating the effectiveness of local community housing strategies, the Planning Department may propose the application of existing Housing Element/HCD programs or new programs to particular areas within a community plan area, based on need assessments more detailed than those limited to census tract levels. In addition, the Planning Department may also attempt to help determine needed housing programs for particular communities or implement needed housing programs. This will occur through Planning Department bids on Requests for Proposals issued by the Community Development Department, which currently fund projects to outside consultant firms.

- (b) Procedures will be developed for program monitoring that will provide specific information on the progress toward implementation of each program in the Housing Element. An annual summary of the progress being made toward implementing the Housing Element programs will be submitted to the City Council, Mayor, and State Department of Housing and Community Development. Each City agency with implementation responsibility will be asked to report briefly on the status of each of its programs. A simple report form will be developed to expedite the reporting process.
- (c) Information provided by the Chief Legislative Analyst's Office on the implementation of Federally-funded programs will be incorporated into the annual progress report on the Housing Element. Monitoring procedures developed by the CLA will be utilized in evaluating other Housing Element programs.

G. Integration and City Planning

Integration is the result of choice by individuals to live in heterogeneous neighborhoods, where there is diversity of ethnic, racial, age, income, and other social characteristics. The role of government is not to mandate more or less integration in housing but rather to expand the options for choice. Government can improve the climate for integration by promoting diversity in housing types and prices, improving transportation, and increasing the availability of jobs, public services, and funding for home acquisition and maintenance.

Integration of all socioeconomic segments of the population is promoted by this Housing Element through consistent advocacy of goals, policies, and programs contributing to wider housing opportunity throughout the City. In this regard, the Housing Element maintains consistency with zoning adjustments being undertaken by the Planning Department and the policies and programs presented in the Citywide Plan, which derive from goals to broaden the range of housing choice enunciated in Concept, Los Angeles. Integration was established as official policy with the adoption of Concept, Los Angeles in 1974, which followed several years of public discussion and opinion research.

Concept, Los Angeles promotes a diversity of housing opportunity as a long-term goal for the City by promoting concentration of future development in socially and economically integrated nuclei, known as "Centers". Centers are envisioned as spatially discreet, efficiently interconnected areas, containing a wide range of housing types, services, and businesses. Broad housing opportunity would be expected to result from increasing the availability of townhouses and apartments geared to a wide variety of household sizes, compositions, and incomes. Special security and accessibility features would be encouraged for elderly and handicapped residents; adequate recreational and educational facilities would be available for all age groups.

Policies and programs to achieve the "Centers" goals of Concept, Los Angeles are embodied in the elements relating to land use, circulation, service systems, and the environment in the Citywide Element. The most significant measures include density modifications, public facilities and services concentration, energy conservation, open-space preservation, and, particularly, public transportation improvements. Plan elements have advocated significant modernization of the public transportation system through such features as development of the Wilshire Boulevard starter rail line.

The individual community plans encourage variety in housing types to promote wider housing opportunity throughout the City. A widening of the range of housing types is promoted principally through density controls. Although density rollbacks are being implemented, adequate plan capacity will continue to exist to permit the continued construction of multiple-family units throughout the City.

The Housing Element encourages the continuation of important local efforts to maintain existing low-/moderate-income housing and augment the supply through vigorous application of the Housing and Community Development Block Grant Program. The HCD program has enabled a multiplicity of City agencies, such as the Building and Safety Department, the Community Development Department, the City Redevelopment Agency, and the Housing Authority, to provide critically needed programs in relocation, building conservation and rehabilitation, rent subsidization, neighborhood revitalization, and public housing construction. To insure that subsidized units will be distributed widely throughout the City, the Housing Element will incorporate Fair Share Allocation measures, as required in the State Housing Element Guidelines and the Federal Housing Assistance Plan Guidelines.

The Housing Element also supports ongoing City programs that increase housing opportunity through general economic development, involving the coordinated efforts of the Community Development Department, the Community Redevelopment Agency, and the Mayor's Office of Economic Development. The City has undertaken four commercial-industrial renewal projects (Wilmington, Pico-Union I & II, and the Produce Market) through the Federal Urban Development Action Grant Program to broaden the economic base and create new jobs. The Mayor's Office of Economic Development also has an active program to retain employment by assisting individual companies operating in the City to overcome problems that might otherwise lead to relocation in other jurisdictions.

The Housing Element promotes increased housing opportunity through support for equal housing legislation, including the Rumford Fair Housing Act, the Unruh Civil Rights Act, and the Holden Anti-Redlining Act. Moreover, the plan advocates invocation of sanctions, such as withdrawal of deposits or pursuit of civil damages, against real estate and financial institutions that illegally restrict housing choice in the City. Los Angeles continues to financially support the Fair Housing Congress and its complaint resolution efforts that address discrimination complaints.

Local legislation is proposed to broaden housing opportunity. It is recommended that a comprehensive Affordable Housing Production Incentives Ordinance be enacted, which will incorporate the Bernardi 15% Ordinance, as well as other approaches to increase the supply and widen the distribution of low-/moderate-income units.

The above measures represent a good faith effort by the City, and the Planning Department in particular, to undertake and support local strategies to improve conditions facilitating greater integration. Local efforts must be looked on as part of a national effort requiring commitments from all levels of government and the private sector to make incremental changes that lead to equal housing opportunity for all citizens.

GLOSSARY AND APPENDIX

GLOSSARY

CAP

Community Analysis and Planning Division, Community Development Department.

CDD

Community Development Department, City of Los Angeles.

CHA

Housing Authority of the City of Los Angeles.

CRA

Community Redevelopment Agency, City of Los Angeles.

COMMUNITY APARTMENT PROJECT

A residential development in which an undivided interest in the land is coupled with the right of exclusive occupancy of any apartment located thereon, as defined by Section 11004 of the California Business and Professions Code. Also known as a cooperative apartment.

CONDOMINIUM

An estate in real property consisting of an undivided interest in common in a portion of a parcel of real property together with a separate interest in space, as defined by Section 783 of the California Civil Code.

CONDOMINIUM CONVERSION PROJECT

A multiple-residential development in which an existing multiple-residential building is converted to condominium or community apartment project.

HCD

Housing and Community Development Act of 1974.

HOUSING QUALITY

Descriptive terminology is defined as follows:

Sound Housing - Units not in need of rehabilitation, repair, or demolition

Units needing rehabilitation - In need of minor maintenance or repair, such as cosmetic repairs, painting, window and door repairs, etc.

Substandard units - In need of significant repair of structures, plumbing, or electrical systems, etc.

Substandard units - Incapable of rehabilitation - in need of demolition.

IMPLEMENTATION STRATEGY

Specific statements regarding program implementation, including identification of responsible agencies and deadlines.

MEDIAN FAMILY INCOME

According to the Department of Housing and Urban Development the Median Income for the Los Angeles-Long Beach SMSA was \$18,800 for a family of four for the year 1979.

INCOME

Very low - Below 50% of the median income

Low - 50-80% of the median income

Moderate - 81%-120% of the median income

IN-FILL HOUSING

A program to place decent, safe, and sanitary homes on scattered vacant sites throughout the City.

OBJECTIVE

Statement of a certain achievable status regarding an aspect of the housing field toward which programs, policies, and implementation strategies should be directed.

POLICY

General statement of a direction of course of action (public or private agency or individual) to improve an aspect of the housing field.

PROGRAM

Specific statement or procedure of action a public or private agency or individual should do to improve an aspect of the housing field.

RENT (GROSS)

The amount that a tenant pays for the use of a housing unit plus the amount paid for electricity, gas, and water.

RENT (NET)

The amount that a tenant pays for the use of a housing unit only not including utilities.

RESIDENTIAL DENSITY

Standards for residential densities are defined as follows:

TABLE 31

RESIDENTIAL DENSITY STANDARDS

Density	Dwelling Units Per Gross Acre*	Persons per Gross Acre	Preferred Locations
Very Low	3 or less**	12 or less	Remote suburbs and mountains
Low	3+ to 7	10-30	Suburbs
Low-Medium	7+ to 24	20-75	Fringes of Centers; Regional Core; Sub- urbs near Commercial areas
Medium	24+ to 40	50-100	Centers; Suburbs near commercial areas and on some highways
High	40+ to 80	80-160	Centers
Very High	80+	160 and above	Core of Centers

* Gross Acreage includes streets.

** This column does not indicate policy but is for statistical purposes only. It illustrates the approximate range of population densities which could be expected.

METHODOLOGY

1. 1970 CENSUS UNDERCOUNT

The undercount of the 1970 Census will have serious ramifications for the City of Los Angeles through its relative share of money available from Revenue Sharing and State Gas Tax Subventions, on its future population forecasts, and on the City's relative demand for housing and municipal services. For these reasons an analysis of the magnitude of the undercount has been made.

The most extensive work to date has been done by the Community Analysis Bureau (now known as the Community Analysis and Planning Division) of the Community Development Department. An evaluation has been made of the elementary school enrollment and the junior high school enrollment in the Spring of 1970. These totals were compared to the census counts for the appropriate age ranges, and an estimated undercount in the youth population of 19,000 was determined. This figure would have to be expanded to reflect the total population including the undocumented alien population.

Jacob S. Siegel, a demographer for the Census Bureau, wrote a paper that included a methodology for estimating and undercounted population at census time.¹ The method for the estimate was based on national population trends.

The Census Bureau had data on births, deaths, and legal immigration and could, therefore, calculate the number of persons who were actually in the United States. The 1970 Census gave the number of persons who were enumerated. The difference then was assumed to be the national undercount of population; the rates of undercount were calculated by the race, age, and sex of the various population groups.

The undercounts tended to be worse for males than females and worse for the minority populations. No estimates were made by the Bureau of Census for Hispanic undercounts, but they did suggest that "it may be possible to derive at least rough indications of the population of Spanish ancestry on the basis of general indexes of the quality of the census data."²

If these estimates of undercounts for the nation by race, sex, and age are assumed correct, then these numbers could be applied to the census totals for Los Angeles to calculate the number of undercounted individuals.

With three assumptions, these estimates of the net undercount have been applied to the Los Angeles City population counts. These assumptions are 1) the Los Angeles undercount reflects the characteristics of the national undercount, 2) that all minority groups (Blacks, Hispanics and others) are undercounted in the same proportion, and 3) that the Hispanic population was totally of White racial characteristics. Given these assumptions, undercounts were derived.

¹ Siegel, Jacob S., "Estimates of Coverage of the Population by Sex, Race, and Age in the 1970 Census," Demography, Vol. II, Num. 1, (February 1974) p. 1-23.

² Ibid, p. 19.

TABLE 32
POPULATION UNDERCOUNT
1970

	<u>1970 Total</u>	<u>Undercount</u>	<u>Adjusted 1970 Total</u>
Total Population	2,815,237*	125,052	2,940,289
White Population	1,654,047*	31,928	1,685,975
Black Population	503,377*	39,611	542,988
Hispanic Population	518,791**	41,913	560,704
Other Population	139,022*	11,600	150,622

* 2nd Count 1970 Census, whole census tract allocations.

** 4th Count 1970 Census, whole census tract allocations.

These national factors were assumed to hold in Los Angeles and were applied by the Planning Department to the 1970 Census totals for the City. The "undercount" in Los Angeles was estimated at 124,952. This undercount estimate, however, was known to be significantly low for Los Angeles for a variety of reasons, including: (1) Los Angeles is an urbanized area and the census tends to miss more people in urban areas than in the nation as a whole; and (2) proximity to Mexico, the large job market, and existing high concentration of the Hispanic population make Los Angeles attractive for the entrance of illegal immigrants from Latin America.

It was concluded that the undercount estimate, although accurate for the nation as a whole, was a severe underrepresentation of the number of persons missed in the 1970 Census in Los Angeles because many persons were purposefully avoiding the Census Bureau enumerators for fear of detection and ultimate deportation. This fear was compounded by an untimely "sweep" by immigration agents through East Los Angeles on the day before the 1970 Census was taken. Therefore, an estimate of the number of illegals also was needed.

Estimate of Undocumented Aliens

Identifying and developing calculations about the undocumented alien population in Los Angeles has long been a problem. Undocumented aliens, are, of course, in violation of Federal immigration laws. They tend to hide or avoid enumerators. Thus, any census of population does not provide an accurate count of their numbers. This last fact means that any funds distributed based on a census of population would not include the number of undocumented immigrants and would therefore, not reflect the total needs of the residents of Los Angeles. For instance, it is believed that the City's undocumented alien population represents a significant factor in the costs of welfare, medical assistance, and other public service programs; and yet, the number of undocumented immigrants would not be accurately reflected in any population/cost formulas.

Because of these problems, the City Council and the Mayor have asked the Planning Department to estimate the number of undocumented aliens residing in the City of Los Angeles. Currently, there is no agreement among governmental agencies as to the actual number of undocumented immigrants residing within the City. Previous estimates have ranged from 200,000 to 500,000.

The undocumented alien population exists in excess of the population underestimated because of the census undercount. Undocumented immigrants would be those persons who purposefully avoided the census enumeration, while the undercount would reflect the census forms which were lost or assigned to the wrong census tract by the census enumerators. The census undercount was estimated using immigration records or those persons who had entered the United States legally. Thus, a new data source was needed to estimate the number of undocumented immigrants.

To obtain the best available estimate of undocumented aliens, a meeting was held with Mr. Sureck, District Director of the Immigration and Naturalization Service (I.N.S.). That agency had based its estimate on the number of undocumented aliens actually located by governmental agencies in 1974. Over 300,000 undocumented immigrants were so located in California in that year. The I.N.S. assumed there are five to six undocumented for every one located; thus, it is assumed that there are 1.5 or 1.8 million in the State. It is further assumed that two thirds are in Southern California, and 500,000 to 1.0 million in the greater Los Angeles area. No estimate from the I.N.S. was available for the City.

However, the City of Los Angeles contains 40 percent of the total population and 40 percent of the Hispanic population. The Planning Department has, therefore, assumed that a similar percentage of the undocumented aliens also live within the City's boundaries. Using the upper range of the I.N.S. estimate for the county, the number of illegal immigrants in the City of Los Angeles could be as high as 400,000 persons. This estimate concurs with that derived from discussions with representatives of the I.N.S., the Border Patrol, and Mexican-American organizations.

Would all of the minority groups be undercounted similarly? In Los Angeles there is no reasons to believe that Blacks would have a higher undercount rate than that of either the Hispanic or Oriental residents. However, a converse problem, the Hispanic and Oriental undercounts may be higher, because of two problems: illegal entrants and language barriers. Neither of these would be significant among Blacks, whereas they may be, in spite of Census Bureau efforts, among Hispanic and Oriental residents. These considerations would have to be tested for their significance, but at present these minority undercount statistics are at least a floor estimate.

Is the Hispanic population of White racial characteristics? This assumption was invoked to eliminate definitional problems and because the count of Hispanics by race and age was not available. For clarification, Spanish is considered a "heritage" classification (such as English or French) not a racial classification (such as White, Black, Japanese, etc.). Statistics are available to measure this assumption. The Hispanic indicator population in Los Angeles is 93.5% White, 3.0% Black, and 3.5% other. Therefore, this assumption will provide a slight but probably insignificant over-estimate of the undercounted minority population.

What are the implications of these new numbers? In terms of revenue sharing allocations or gas tax subventions, all areas of the State would grow in population due to the undercount. But the undercount revisions provided by the Census Bureau are much larger for minority populations and this would cause a relative increase in communities with larger minority population. Thus, Los Angeles, with its large Black and Hispanic populations, would grow relative to other areas of the State.

The 1990 and 1995 population forecasts would also increase because of a larger, younger population or more persons in child-bearing age ranges. The increase in these age ranges will cause the 1990 forecast to grow by more than the increase in the base population. The magnitude of the minority estimates may also have further implications for migration assumptions that have been used previously (population of 2,936,853). This is near the Los Angeles City Planning Department's April, 1970 population estimate of 2,949,500, which was available more than one year before the release of the census statistics.

2. UN SOUND HOUSING

The concept of unsound housing is comprised of three components: social conditions, economic conditions, and structural conditions. Each of these components reflects a segment of the local housing market and each has historically been assumed to contribute to deteriorating housing stock. The first two of these conditions may, however, not have as great an effect on forecasted housing units as previously assumed because of changing social norms and current economic conditions.

The structural component of unsound housing is the actual factor which should be identified. How many housing units in the current stock are unsafe for public habitation and at what rate are older housing units becoming unsound? At present, no accurate information is available to predict the rate that currently sound units will become unsound.

Three surrogate measures have been identified for this concept: the median age of housing, the number of units lacking plumbing, and number of units cited for major structural repairs as the result of a Department of Building and Safety Code Compliance Inspection.

The first measure, age of housing, is becoming more unreliable as an indication of poor quality housing with increasing housing costs. As the price of new housing climbs, it becomes more economical to rehabilitate existing housing units. Changing construction technology also has had an impact on the demand for older housing. Better construction and more durable materials in the older housing units have been cited as one cause.

Units lacking plumbing are considered one source of unsound housing. The Bureau of Census defines units lacking one or more plumbing facilities as those which do not have "piped hot and/or cold water, a toilet or bathtub or have a toilet or bathing facility used also by the occupant of another unit."* In Los Angeles City only 1.7% of the housing stock now meets this definition, and it is unlikely that this number will increase through time. The Department of Building and Safety through the Housing Conservation Program sends a trained building inspector through each housing unit to determine its code compliance and needed structural improvements.

The Department is now in the middle of its fifteenth year cycle to inspect every unit in the City. In this cycle it has concentrated in the deteriorated areas. Many homes have been cited after inspection for structural improvements. However, the vast majority of these citations are for routine maintenance, such as painting or roofing. A few citations are for illegal additional structures (work beds) which are required to be demolished. This type of citation activity has contributed to the basic soundness of housing stock in Los Angeles.

* U.S. Dept. of Commerce, Bureau of Census, 1970 Census User's Guide, Part I, Washington, D.C., U.S.G.P.O., 1970, p. 121.

ROLES OF CITY AGENCIES IN HOUSING AND COMMUNITY DEVELOPMENT

There are several City departments and agencies involved with various aspects of housing. A brief summary of their functions within the scope of the Housing Element is listed below. These relationships are shown graphically on the attached (Diagram A). The agencies are grouped according to their basic functions.

LONG-RANGE PLANNING FUNCTION (5, 10, 20 Years)

City Planning Department

The Planning Department serves a staff function to the Mayor and City Council. Housing is influenced at various levels by the Department. First, the Department is responsible for producing a General Plan which includes a Housing Element. Various Community and District Plans provide the Land Use Element of the General Plan. The Department is also responsible for development of the City's zoning and subdivision ordinances, which affect the placement of the housing stock created.

Through the comprehensive planning process, the Department defines the needs of the various communities of the City. This would include analysis and a projection of needs. The analysis and recommendations are then provided to the Housing Division of the Community Development Department, which prepares program packages to meet the identified needs. The Planning Department will evaluate the effectiveness of potential programs in meeting identified long range needs. The Department also provides review and evaluation of Housing and Community Development programs for consistency with the General Plan. In the designation of redevelopment survey areas, the Department serves in a joint role with the Community Redevelopment Agency.

SHORT-RANGE PLANNING FUNCTION (less than 5 years)

Community Analysis and Planning Division (CAP) of the Community Development Department

The Community Analysis and Planning Division facilitates the City's participation in Federally-assisted social and economic programs. CAP's primary function is to ascertain Community Development needs, comprehensively plan, and monitor Federally-funded programs in blighted or low- and moderate-income areas of the City. CAP also monitors and reviews Federal, State, and Local legislation that has impact on the City's housing programs and planning process

This planning process involves analysis of data, assimilation of information from City agencies; year-round coordination of the Citizens Unit for Participation in Housing and Community Development; proposing Community Development activities, including Housing, Recreation, Social, and Economic programs; preparing annual Block Grant and Urban Development Action Grant Applications; and monitoring the disbursement of Federal funds.

DATA SYSTEMS SUPPORT FUNCTION

Community Analysis and Planning Division (CAP)

The Community Analysis and Planning Division (CAP) is responsible for the identification and monitoring of those physical, economic, and social forces that contribute to obsolescence and blight in City. In addition, CAP assists in the analysis of program recommendations by supplying relevant data and in the development of an evaluation methodology for City programs. CAP also serves as a staff and implementing agency within the Community Development Department.

Data Support Unit, City Planning Department

The Planning Department Data Support Unit is charged with preparing the City's official annual Population and Housing Estimate. It also provides a variety of data support activities to both City Planning Department users and users in other Departments, as well as outside agencies. Such support focuses on the development of land use statistics from the LUPAMS file and other sources. In addition, this Unit acts in the role of advisor to the Department on a variety of research and system development projects.

IMPLEMENTATION FUNCTION

All agencies are coordinating and cooperating with one another.

Building and Safety Department

The Conservation Bureau of the Department is responsible for the maintenance and upgrading of the existing housing supply. This effort is being accomplished through the Housing Code Compliance Program, which requires homeowners to bring their homes up to certain minimum standards of health, safety, and stability. This Program is conducted on a Citywide basis and will eventually affect every dwelling unit in the City of Los Angeles.

Division of Right of Way and Land, Bureau of Engineering

Among the responsibilities of The Division administer the Relocation Assistance Program of the City of Los Angeles. The Program involves determining rehousing needs and providing relocation assistance to individuals, families, and businesses displaced by City Action.

The Relocation Section of the Division of Right of Way and Land is the Agency responsible for all aspects of the relocation program (planning, implementation, and execution) for all City departments with the exception of the three non-Council controlled departments. These three departments avail themselves of the services of the Relocation Section by contractual agreement.

City Housing Authority (CHA)

The Housing Authority has the responsibility to provide decent, safe, and sanitary housing at rental rates that low-income persons can afford. This is being accomplished by maintaining low-rent housing developments and Leased Housing Units. The Authority will be developing additional housing under the HCD Section 8 Program. Persons displaced by CRA projects receive first priority from the Housing Authority if units are available. The Housing Authority and the Community Redevelopment Agency are jointly cooperating in developing and managing new housing units for low and low-moderate income tenants in redevelopment areas.

Community Redevelopment Agency (CRA)

The Community Redevelopment Agency, with the approval of the City Council and with authority flowing from local, State and Federal laws, manages and operates the City's urban redevelopment program. This program is designed to preserve and improve structures and neighborhoods in conformance with the City's official plans or to remove blighted conditions if those conditions are so far advanced that they endanger the public health and safety.

The Agency is authorized to prepare community development project plans, to acquire property, to help to relocate the occupants of project properties, to preserve and improve existing neighborhoods, to remove blighted structures, to install streets and other public improvements, to market project-area land for a variety of purposes, and to develop new and rehabilitated housing units. (The methods the Agency uses to develop new and rehabilitated housing units are outlined under III, Profile of Housing Activities, above.)

As of January 1, 1979, the Agency was carrying out operations in eleven redevelopment project areas: Bunker Hill, Hoover, Watts, Little Tokyo, Central Business District, Normandie/5, Pico Union I, Pico Union II, Beacon Street (San Pedro), Los Angeles Harbor Industrial Center (Wilmington) and Monterey Hills. New or rehabilitated housing units have been produced or are scheduled to be produced in ten of these areas; no housing construction is planned in the Harbor Industrial Center Project area. (A summary of these housing production activities may be found under III, Profile of Housing Activities, above.)

In addition to these projects in execution, the Agency, on January 1, 1979, was in the advanced stages of planning, for City Council approval, three proposed redevelopment projects, all of which would include the construction and rehabilitation of housing units in the North Hollywood, Chinatown and Adams/Normandie districts.

At the request of the City Council, the Agency also was examining, as of January 1, 1979, the possibility of recommending revitalization programs for the Mt. Pleasant district in Boyle Heights and the Temple/Beaudry district northwest of the downtown area. It was expected that revitalization programs for these districts would place emphasis on residential rehabilitation and construction.

Community Development Department (CDD)

The Community Development Department facilitates the City's participation in Federally assisted housing and socioeconomic programs. The primary function is to coordinate and assimilate the information of various City Departments and other agencies for the Housing and Community Development (HCD) Program; initiate and maintain the Citizen Advisory Committees in each project area in which a Housing and Urban (HUD) assisted program is in process; and to propose and monitor housing

programs and all related community development activities, such as recreation and social, economic, and environmental considerations. As such, CDD is responsible for the identification and monitoring of those physical, economic, and social forces which contribute to obsolescence and blight in the City. In addition, the Community Development Department is responsible for the identification of "need", overall planning, program monitoring, and evaluation necessary for the City's yearly Federal grant request. Responsibility for the preparation of the Housing and Community Development (HCD) grant application and the Housing Assistant Plan (HAP) rest with the Community Development Department.

Housing Division, Community Development Department

The Housing Division has the responsibility for the initiation and administration of housing programs for the City, including development of the City's Housing and Community Development Application. The Housing Assistance Plan, required each year under the HCD agencies application, is based on studies supplied by various City agencies. The Housing Division also recommends funding and implementation packages for these programs.

TABLE 33

ROLES OF CITY AGENCIES IN HOUSING AND COMMUNITY DEVELOPMENT

Long-Range Planning

Agency

- City Planning Department

Activities

- Determine needs
- Evaluate effectiveness of programs to meet needs
- Develop 5, 10, 20-year time frames

Short-Range Planning

Agency

- Community Development Department

Activities

- Coordinate development of HCD application
- Prepare program packages, in conjunction with appropriate agencies, to meet needs of communities.
- Seek funding sources.
- Monitor and evaluate laws.

Data Support

Agencies

- Community Analysis and Planning Division (CDD)
- Data Support Unit (Planning Department)

Activity

- Collect and analyze data

Implementation

Agencies

- CRA
- Housing Authority
- Building and Safety
- Division of Right of Way and Land
- Community Development Department

Activity

- Implement programs

POPULATION PROJECTION (WITH UNDOCUMENTED ALIENS) AND
AN ASSESSMENT OF FUTURE HOUSING NEEDS

Population projections presented on Table 18 are based on the officially published 1970 Census population plus an estimate of 124,952 persons not enumerated in the last census. Table 35 includes the same population projections, but with the addition of an estimated undocumented alien population of 400,000. The number of undocumented aliens comes from City Council adopted population growth policies, which are a part of the Southern California Association of Government's Regional Air Quality Maintenance Plan. The 400,000 figure is assumed to remain constant to the year 2000.

By adding 400,000 more persons to the 1970 Census and current population estimate and given the reported census housing stock, the number of overcrowded housing units can be expected to increase. In order to substantially diminish the number of overcrowded units, it will be necessary to reduce the person per household in 1970 from 3.19 to 2.50 in 2000. To accomplish the household size target, it will be necessary to increase the housing stock considerably.

Table 18 assumes a household size of 2.45 persons per unit which would require 176,500 cumulative units to be build by the year 2000. The higher population projection with the estimate of undocumented aliens would demand about 315,700 additional units, assuming even a larger household size of 7.5 persons. Annual average construction for the lower population projection would yield about 7,674 units as compared to 13,726 units per year for the projections with undocumented aliens. The former annual figure is more in line with the current rates of home construction; there is no evidence that predicts a sustained accelerated rate of construction over the next two decades.

TABLE 34

CITY OF LOS ANGELES
POPULATION PROJECTIONS (WITH UNDOCUMENTED ALIENS) AND
AN ASSESSMENT OF FUTURE HOUSING NEEDS

LINE	CENSUS 1970	EST. 1977	-----FORECAST-----			
			1985	1990	1995	2000
A. Population	3,336,753	3,306,600	3,436,800	3,503,600	3,556,000	3,591,100
B. Undocmtd. Aliens	400,000	400,000	400,000	400,000	400,000	400,000
C. Grp. Qtr. Pop.	67,800	64,000	64,000	64,000	64,000	64,000
D. Household Pop.	3,268,953	3,241,600	3,372,800	3,439,600	3,492,000	3,527,100
E. Housing	1,074,173	1,139,100	1,268,000	1,340,900	1,413,700	1,485,100
F. Vacant Units	49,300	27,900	63,400	67,000	70,700	74,600
G. (% Vacant)	(4.59)	(2.45)	(5.00)	(5.00)	(5.00)	(5.00)
H. Occ. Housing	1,024,873	1,111,200	1,204,600	1,273,900	1,343,000	1,410,800
I. (Pop./Household)	(3.19)	(2.92)	(2.80)	(2.70)	(2.60)	(2.50)
J. 1977 Habitable Units		1,129,800	1,129,800	1,129,800	1,129,800	1,129,800
K. Units Needed in Each Period		128,900	72,900	72,800	71,400	
L. Cumulative Units Needed		9,300	138,200	211,100	283,900	355,300

**ad hoc committee
housing production**

REPORT TO THE MAYOR

october 1978

MAYOR'S AD HOC COMMITTEE ON HOUSING PRODUCTION

- I. Committee Formulation and Membership
- II. Committee Task
- III. Housing Production Incentives
 - Matrix and Narrative
 - Development Types
 - Non-subsidized
 - Traditional Subsidy
 - HCD Subsidy
 - Incentives
 - Density Bonus
 - Land Writedown
 - Expediting
 - Zoning Modifications
 - Financing
- IV. Summary and Recommendations
 - 4.1 Density Bonus
 - 3.1 Land Writedown Formula
 - 2.2 Expediting
 - 4.2 Zoning Modifications
 - 1.1 Bond Issue
 - 5.1 Section 8, Exclusive Award
 - 2.3 Processing Modifications
 - 3.2 Identify Publicly Owned Sites
 - 2.1 Submission Standards
 - 2.4 Processing Appeals Board
 - 2.5 Audit Processing Fees vs. Services
 - 4.3 Housing Production Goals
- V. Prototypes
 - Twelve Thousand Dwelling Units Annually
 - Expediting
 - Prototype Condominium Development

I. COMMITTEE FORMULATION AND MEMBERSHIP

Mayor Tom Bradley convened the Ad Hoc Committee on Housing Production on August 16, 1978, to draft recommendations to lead to the expeditious production of below market rate housing for the City's low- and moderate-income households. The recommendations were to be the collective efforts of the City and the local construction industry. Representatives of various City offices met with developers, the construction trades and the building industry; the meetings were chaired by the Housing Division of the Community Development Department.

The Committee was charged with the development of a range of recommendations for submission to the Mayor and ultimately City Council. The Committee was called upon to develop a workable set of options for immediate and long range implementation.

Committee membership reflected a broad range of interests with the specific intention of developing a set of recommendations acceptable to all sectors.

Committee Participants

Public Sector

Mayor's Office

Mayor Tom Bradley
Deputy Mayor Ray Remy
Phil DePoian, Special Assistant
Frances Savitch, Administrative
Coordinator
Office of Economic Development

City Attorney's Office

Claude Hilker, Managing Assistant
Colin Chiu, Deputy City Attorney

Community Development Department

Kathleen M. Connell, Director
of Housing
H. Cooke Sunoo, Project
Coordinator

Private Sector

Building Industry Association

Dick Wirth, Director,
Governmental Affairs

Federation of Labor

Steve Robertson, Public Affairs
Director

Private Developers

Chuck Diamond
Jona Goldrich
Herman Rappaport
Doug Ross
H. Randall Stokes

University of Southern
California

Jack Steele, Dean, School
of Business Administration

Construction Industry Research
Board

Ben Bartolotto, Director

II. COMMITTEE TASK

The Housing Production Committee was requested to develop a legislative package for presentation to the Mayor. This report includes a range of recommendations to provide impetus to the development of below market cost housing for low- and moderate-income Los Angeles families. As with other Ad Hoc Committees convened by the Mayor, the Housing Production Committee has sought to articulate a general course of action accompanied by some very specific action recommendations.

The unanimous consensus of the Committee is that it is inordinately and unnecessarily difficult to build new housing in the City of Los Angeles. The difficulty in processing residential developments in the City is clearly spelled out in the June, 1976, Report of the Ad Hoc Committee on Construction Processes. Developers on the present Housing Production Committee indicate that delays which were addressed in 1976 still exist and that continued reductions in time frames are necessary.

Since 1976, the City has taken a significant action to improve its processing, as a direct result of Ad Hoc Committee recommendations. The Housing Expeditor in the Department of Public Works is currently being hired. It is anticipated that this will help facilitate development in the City. However, the problem still remains of creating incentives for the development of below market cost housing.

It is the intent of this report to present a series of housing production incentives for subsidized and non-subsidized housing development. The incentives for development are to be offered in a contractual arrangement in which the developer agrees to produce a specified number of housing units at below market cost. Implementation of the incentives requires new City ordinances, block grant expenditures, zoning modifications, etc. This report contains policy recommendations and guidelines for operations; it is intended that upon determination of feasibility, further refinement of each program will be offered.

Those members of the Committee representing various segments of the construction industry felt that a timely comment should be included in this report regarding the Rent Moratorium Ordinance passed by City Council. It was felt that this Ordinance, if in fact a precursor to a more permanent form of rent control in the City, would have grave negative impact on any future residential construction in the City. A rent limitation measure will discourage all but the smallest increment of new rental housing construction. Committee members felt it to be incongruous for the Committee to be working on affordable housing while the City was simultaneously passing a measure having such obvious negative effects on new construction.

III. HOUSING PRODUCTION INCENTIVES

The incentive matrix displays three basic types of development and seven types of subsidies that might be made available. The three types of development include non-subsidized, rent subsidy and Housing and Community Development (HCD) subsidy activities.

- Non-subsidized development in this instance includes those developments where no public cash subsidies are available to the developer. Incentives for low- and moderate-income units are in the form of non-cash assistance.
- Traditional subsidy units include conventional publicly assisted housing such as Section 8, Section 236, California Housing Finance Agency (CHFA), etc.
- HCD subsidy includes those developments where HCD funds are used in providing land writedowns, predevelopment assistance, site improvements, etc.

The matrix illustrates the applicability of the various incentives to the various development subsidies.

Incentives

Density Bonus

The density bonus allows developers to exceed zoning limitations in their sales or rental units. The additional units are offered as an incentive to developers in exchange for making an agreed upon number of units available to low- and moderate-income residents. The bonus units would ostensibly make it financially possible for the additional units to be available without further public subsidy. Such units would be held for the life of the project as low cost units.

It is important to understand that in order to best experience a density bonus, it is often necessary to offer more to the developer than simply more allowable units. The site will always be finite in size and increased density will require commensurate reduced other land uses, e.g. setbacks, open space, parking, etc. It has been suggested that where a density bonus results in lower income units, the parking demand will similarly be reduced. Empirical data are currently being collected to support this.

An ordinance would be necessary for the widespread implementation of such a scheme. Alternatively, zoning variances could be granted immediately on a case-by-case basis.

Expediting

The Public Works Department is currently in the process of hiring the Housing Expeditor. That Office has the responsibility of assisting new construction or rehabilitation projects through the City's building processing system where housing developments provide for low- and moderate-income households. It is anticipated that the Housing Expeditor will save considerable time in housing development projects. This time savings can be quantified as reduced development costs attributable to reduced holding costs and lower dollar costs as a result of "staying ahead" of inflation.

A formula shall be developed which demonstrates the dollar savings directly attributable to special City efforts. The savings shall then be compared to the total project cost; a predetermined proportion of units could then be lowered in price and made available to low- and moderate-income residents.

Expediting shall be a service available to developers who agree to the above terms, as well as those developers constructing traditionally subsidized units.

A suggested addition to expediting City processing procedures is to have the City contract with qualified professionals for certain submission evaluations. Under conditions where any specific check point has a recognized backlog, the Department shall be given the discretion of contracting the work with private firms. Developers wishing to make use of this expediting procedure might be assessed a surcharge by the City for costs incurred. "Charter Amendment P" on the 1978 November Special Municipal Election ballot should also be reviewed for applicability. This issue provides that the Charter be amended to allow the City to enter into contracts for the performance of City work when it is determined that such work can be performed more economically or feasibly by independent contractors than by City employees.

An alternative approach to breaking up the current backlog and to add to the efficiency of the City would be the adoption of clear standards for all submissions. All plans, maps, reports, etc., which are submitted would first be checked against City standards; if they fail, they would perfunctorily be returned to the developers. If they meet City standards, they could then be evaluated. The adoption of standards would guarantee the quality of submissions; create a certain uniformity of checking and improve the efficiency of City staff.

Another area of expediting that was presented by the Committee was resolution of professional differences. Under the current as well as the above proposed modified approval systems, professional differences of opinion could exist. Currently, if a City professional makes a finding which is contrary to that of a private sector professional, there is no appeal recourse. It must be accepted that professional differences quite often may occur in "grey areas" of issues; in these cases it may be expeditious to defer final decisions to an Appeals Board. Such a Board could be appointed by the

City Council upon recommendation of the Mayor and be comprised of generally respected professionals in the area of appeals.

Zoning Modifications

The Housing Production Committee discussed a mandatory requirement of large scale developers to develop a portion of their project specifically for low- and moderate-income residents. As a concession to this requirement, developers would be allowed to exceed zoning limitations in density as well as type of structure. An example of this might be a large single-family subdivision with a moderate-income apartment building.

Zoning modifications could be applicable in all three types of developments.

Land Writedown and Site Improvements

Where the cost of land to the developer can be significantly lowered, or eliminated altogether through the City's efforts, it is felt that the developer should make a significant number of housing units available to low- and moderate-income households. Multifamily developments reviewed recently by the Community Development Department, Housing Division, revealed land costs equal to 10 to 18 percent of total development costs. Private market developers have reported land costs can range as high as twenty-five percent. The lowering or elimination of this proportion of the project cost should allow the developer to lower his gross income similarly. It must be determined whether a minimum lowering of consumer cost be made across many units or a maximum reduction be made to fewer units. Such determination would, of course, occur prior to contract development between the developer and the City.

The City's efforts to lower land costs could occur through the following vehicles discussed by the Ad Hoc Committee: HCD funds, City-owned lands, or air rights development.

Federal HCD funds are made available to the City on an annual allotment basis. Acquisition of land by purchase, lease or otherwise, certain development and site improvement costs are allowable uses for these funds. Where a contractual agreement can be guaranteed, the City and private developers may use HCD funds for certain costs and private funds for the remainder. A predetermined proportion of units would be made available to low- and moderate-income households.

City-owned land that is suitable for development could be relinquished for development. Instead of the usual procedure of auctioning off City property for whatever cash might be offered, suitable land might be released on a Request for Proposal (RFP) basis for the most advantageous development proposal. The proposal would assumably include a specific number/proportion of low- and moderate-income units. The land could then be transferred to the appropriate developer with a title condition

specifying the low- and moderate-income commitment. In the past, the Mayor's Office of Urban Development attempted to identify vacant buildable, City-owned parcels suitable for housing development. It was discovered that the process may be extremely arduous.

A definite source of land for housing development is the Community Redevelopment Agency. Within its project boundaries, buildable parcels have been assembled specifically for housing development. The possibility of building mixed-income, non-rent subsidy units ought to be investigated. Traditionally, the Agency has solicited developers of totally subsidized (Section 236, Section 8, etc.), or totally market rate developments. The Agency is clearly in a position of presenting an attractive package to developers.

Air rights development is an approach presented to the Ad Hoc Committee. A development concept was presented for possible future application for low- and moderate-income housing. The initial market rate project is to develop a multifamily housing development on air rights over the Los Angeles River. If the project is successful, low- and moderate-income applications will be studied. A caveat to low- and moderate-income application is the infrastructure cost of the development and acquisition of air rights. Most of the flood control system, which includes the Los Angeles River, is held by the County Flood Control District. Although there is no cost of "land" per se, site costs include the lease of air rights and the construction of platform-bridges to span the River. Cost figures have not been presented which would prove the wider application of the concept. The cost of the platform-bridge would remain constant regardless of project location in the City.

Financing

Low- and moderate-income units could be constructed using municipal bonds for interim and long term financing. It has been calculated that bonds issued by the City could develop long term financing at seven percent. Such a rate, in conjunction with other subsidy techniques, could result in rental units at \$200/month or condominium units at less than \$45,000.

A ten percent reserve fund would be required to package a marketable bond issue. Considering a recent interpretation of the HCD regulations, it is anticipated that Block Grant funds could be used for this purpose. The funds would come from currently available HCD funds designated for housing production, with an additional increment from the 1979-80 Grant. The obligation of Block Grant funds as a fund reserve could then yield a 10:1 leverage in the construction of new housing for low- and moderate-income households. Anticipated future HCD grants to the City could be pledged as security for the issue to further guarantee a favorable rating.

A consultant team is currently developing the working parameters of the City's Municipal Finance Agency (MFA). It is anticipated that the MFA will be operational in 1979. The eligibility of financing new construction with HCD funds is currently being investigated by the City. One interpretation of the regulations seems to allow new construction where the sponsor is a neighborhood based non-profit entity.

It has been suggested that maximum leverage of funds could be made by limiting financing activities to interim loans. Such a priority would insure the greatest revolving of funds and hence greatest number of assisted units.

Reduced financing cost becomes significantly more attractive when it covers eighty-five percent of the project value, this is tantamount to relieving the developer of cash equity participation. Under these conditions, the participating developer should be willing to agree to a reasonable profit limitation.

Incentive Matrix

Development Type	Subsidy Type	Density Bonus	Expediting	Zoning Mods.	Land Grant	Land W/D	Site Improv.	Finan/g.
Non-Subsidized		X	X	X	X	X		X
Traditional Subsidy			X	X		X		
HCD Subsidy		X	X	X	X	X	X	X

IV. SUMMARY AND RECOMMENDATIONS

Mayor Tom Bradley convened the Ad Hoc Committee on Housing Production in August, 1978, to draft long and short term policies for the production of below market rate housing. A series of meetings chaired by the Housing Division, Community Development Department, developed the recommendations as outlined below. The Mayor has endorsed them and will present them to City Council for further action.

The Committee recognized that the total legislative package contained in the report to the Mayor is an ambitious undertaking. Included in the package are a number of recommendations for Council action. The report clearly illustrates that the key to providing below market rate housing without Federal and State subsidy lies in the combination of various incentive measures. The highest priority must be reserved for financing incentives. The provision of construction financing will most likely be the pivotal incentive to gain private sector participation in the housing production program.

The City, however, cannot expect to appreciably affect the production of below market cost housing without addressing existing problems in the City processing procedures. Several specific areas should be reviewed for expediting without the recommendation of institutional change; other areas, however, are felt to require a change in ordering or institution.

The enactment of direct subsidy, processing, and municipal legislation incentives is necessary to demonstrate to HUD the affirmative posture of the City towards the production of below market cost housing. Such a demonstration will enable the City to aggressively pursue an exclusive award of HUD Section 8 units.

The general types of incentives have been organized below in a set of recommendations which comprise an integrated local and Federal program for low and moderate income housing. Component parts of the program may be enacted independently, but as the prototypes (see Section V) illustrate, maximum benefit can only be realized with a mix of incentives.

Recommendations

1. Finance

- 1.1 Instruct the Housing Division, CDD, to pursue the feasibility of a bond issue for the construction of non-Section 8 development.

2. Processing

- 2.1 Instruct the appropriate City departments to develop specific published standards for the submission of building documents.

- 2.2 Instruct the City's Housing Expeditor to develop specific time standards for performance. These standards will then be drafted into contract language by the City Attorney. Standards will be disaggregated to discrete processing steps so that a developer will know the maximum processing time in each individual case.
- 2.3 Instruct the Housing Division with the cooperation of the Planning Department to develop a plan of action for the following:
 - CEQA exemption in urban built-up areas;
 - Zone change calendaring;
 - Simultaneous tentative map and zone change processing.
- 2.4 Instruct the Housing Division, CDD, to prepare recommendations regarding the establishment of a Building Processing Appeals Board.
- 2.5 Instruct the CAO to audit Departmental processing fees vis-a-vis Departmental expenditure of funds to insure fees are used only for provision of appropriate services.

3. Direct Subsidy

- 3.1 Instruct the Housing Division, CDD, to prepare a formula to be used in determining the ratio of land writedown to specific low cost housing units. The Attorney shall then draft a standard contract incorporating the formula.
- 3.2 Instruct the Community Analysis and Planning Division, CDD, to identify publicly owned parcels suitable for residential development.

4. City Legislation

- 4.1 Instruct the Housing Division (CDD), Planning Department, and City Attorney to prepare a density bonus ordinance for consideration by City Council.
- 4.2 Instruct the Housing Division, CDD, with the cooperation of the Planning Department to investigate and recommend any changes in existing zoning ordinances which might encourage the development of non-subsidized low cost housing. Special attention should be focused on mixed use and "standard variances" for low cost housing.
- 4.3 Instruct the Housing Division, CDD, to establish specific annual housing production goals for submission to City Council.

5. Other Government

- 5.1 Authorize the Housing Division, CDD, to pursue the securing of 6,000 HUD Section 8 units for the exclusive award within the City of Los Angeles.

V. PROTOTYPES

Twelve Thousand Dwelling Units Annually

Through an agreement between the City and the Department of Housing and Urban Development (HUD), an allocation of 6,000 Section 8 Rent Subsidy units would be awarded exclusively to the City. The City, in return, would pledge to implement a housing production program whereby it would finance 6,000 additional new low- and moderate-income units without Section 8 assistance.

Both the 6,000 Section 8 units and the 6,000 non-Section 8 units would be offered on a bid basis. Development projects would be awarded on the basis of City-wide need for family and elderly units.

Section 8 awards would be handled in the usual manner, with HUD making the award and the City conducting the Section 213 review. There would, however, be a HUD guaranteed pool of 6,000 units reserved for the City of Los Angeles.

Non-Section 8 projects would also be advertised and awarded through a bid process. The City would advertise conditions of the award which might include, but not necessarily be limited to, the following:

- Land acquisition assistance using HCD funds
- Interim financing at one-half percent ($\frac{1}{2}\%$) above municipal bond rate
- Permanent financing at municipal bond rate
- Public improvements and pre-development costs eligible for HCD funding.

The developers would package their proposals for a designated area of the City. The proposal would utilize whatever incentives are necessary to bring units in at acceptable rents. Proposals would be judged competitively for the various target areas. Obviously, where there is greater response than quota units, only those most favorable packages will be funded. Standard review forms similar to the City's Section 213 procedures will be followed, with more involved objective evaluation of the financing/subsidy requirements.

Expediting

In reviewing the processing flow chart presented by the Ad Hoc Committee on Building Processes, there are a number of steps which might be taken to significantly reduce processing time. In the discussion of items below, projected time savings are shown in the parenthesis following each sub-title.

- CEQA Exemption (save 30 days) - As part of Governor Brown's Urban Strategy, the Administration has pledged to sponsor CEQA amendments and Specific Plan law amendments to enable local governments to wave the requirement for an EIR for

residential, neighborhood commercial and industrial development in a built up urban area. Developments would be exempted where they are consistent with an adopted Specific Plan for which an EIR was prepared and where they cause no significant air or water pollution. In the City's current processing, this measure could save 30 days in processing time.

- Zone Change Calendaring (save 60 to 120 days) - Currently a zone change must be approved by the following legislative bodies: the Commission, two Council Committees and the full City Council. It is proposed that the calendaring of the sequence of approvals be such as to condense the approvals to a two to four week process. This can be accomplished by having staff reports prepared and circulated simultaneously to all bodies. The sequencing of approvals would be such that no change in ordering or presumption of approval would usurp the mandated approvals. The staff report would be presented well ahead of the consideration date to each body, although actual consideration of an item might follow from one body to the next in the same day or week.
- Simultaneous Tentative Map/Zone Change (save 45 days - 120 days) - The simultaneous processing of the tentative map and the zoning change could save at least the forty-five days which sub-division approval is stated to take. Developers have reported, however, that the actual process takes four months and more.
- Priority Registry of Project, State Department of Real Estate (save 60 days) - After recordation of final map, recordation with the State Department of Real Estate has generally taken two to six months. On the City's low- and moderate-income projects priority processing should be able to reduce that time by at least two months.

In summary, a total time savings of 195 to 330 days, or six and a half to eleven months might be saved by expediting processes. A modest estimate of six to fifteen percent reduction in final market price of a unit could be realized by eliminating inflationary price spirals.

Prototype Condominium Development

To develop the prototype condominium development, a twelve acre development in the City of Los Angeles was analyzed and actual dollar figures were extrapolated to obtain the probable impact of various incentives and combinations of incentives. These incentives were used, first singularly, then in dual combination and finally in triple combination. The three incentives, density bonus, interim municipal financing and land grant were matrixed because of the probability of realization and comparability. In the model cases where developers are contractually bound to certain development incentives, they agree to limit profits to a ten percent level. This amount would be set at the time of approval of their tentative tract map. If subsequently profits are realized in excess of ten percent, the increment would be equally shared between the developer and the low- and moderate-income occupant.

Constants which remain throughout the example include the following:

- 12 acres at \$100,000/acre
- 1,000 square foot condominiums
- \$26/foot construction cost
- site improvements \$1,452,000
- marketing \$616,000
- overhead \$550,000

The private market/no incentive illustration reflects an actual development under construction in the City. In addition to the above constants, the following facts exist in the development:

- 18 units/acre totalling 220 units
- interim financing equivalent to six percent of the total project worth; ten percent interest/eighty percent financing; \$600,000 cash

The density bonus model assumes the developer is willing to limit profits to ten percent in exchange for an increased number of allowable units. The example of the density bonus without additional incentives does not appear attractive as a development option. Further, a priority items include the following:

- 22 units/acre totalling 266 units
- decreased per unit parking requirements necessary to accommodate increased number of units
- interim financing equivalent to six percent of the total project worth; ten percent interest/eighty percent financing; \$600,000 cash
- profit limited to ten percent by contract

The municipally financed project again assumes a developer profit ceiling of ten percent. The strong advantage of this model is that with eighty-five percent financing, the requisite cash requirement for the developer approaches zero. Additional items in this example are the following:

- 18 units/acre totalling 220 units
- interim financing equivalent to five percent of the total project worth; seven percent interest/eighty-five percent financing; no cash requirement
- profit limit to ten percent by contract

The land grant model assumes the site to be acquired and turned over to the developer by the City. The developer, however, is not allowed to collateralize the land for the interim financing. The interim financing requirement remains at six percent of the total project worth. It should be noted that if the land is assigned a zero worth the cost of the unit drops significantly, and so does the developer profit which remains as a percentage of the project worth. Assumed items in this model include the following:

- 18 units/acre totalling 220 units
- interim financing equivalent to six percent of the total project worth
- profit limited by contract to ten percent.

SUMMARY
 PROTOTYPE CONDOMINIUM DEVELOPMENT
 12 ACRE 1,000 SQUARE FOOT UNITS
 (No Incentive Example = Real Dollar Figures)

	<u>#Units</u>	<u>Unit Cost</u>	<u>Project Worth</u>	<u>Required Developer Capital</u>	<u>Profit</u>
No Incentive	220	\$55,000	\$12,100,000	\$600,000	\$1,804,000
<u>Single Incentive</u>					
-Density	266	\$48,200	\$12,817,000	\$600,000	\$1,277,000
-Finance	220	51,000	11,200,000	-0-	1,120,000
-Land	220	45,100	9,922,000	600,000	990,000
<u>Double Incentive</u>					
-Density/Land	266	\$42,700	\$11,351,000	\$600,000	\$1,135,000
-Finance/Land	220	44,600	9,803,000	-0-	981,000
-Density/Finance	266	47,700	12,666,000	-0-	1,267,000
<u>Triple Incentive</u>					
-Land/Density/ Finance	266	\$42,200	\$11,210,000	-0-	\$1,117,000

PROTOTYPE CONDOMINIUM DEVELOPMENT
(No Incentive and Single Incentive)

Incentive Development Costs	Private Market			Density Bonus			Municipal Financing			Land Grant		
	\$	Unit Cost	Project Cost	\$	Unit Cost	Project Cost	\$	Unit Cost	Project Cost	\$	Unit Cost	Project Cost
Raw Land	10	5,600	1,232,000	10	4,600	1,232,000	11	5,600	1,232,000	-0-	-0-	-0-
Site Improvements	12	6,600	1,452,000	11	5,500	1,452,000	13	6,600	1,452,000	15	6,600	1,452,000
Construction	47	26,000	5,720,000	54	26,000	6,916,000	51	26,000	5,720,000	58	26,000	5,720,000
Interim Financing	6	3,300	726,000	6	2,900	769,000	5	2,300	508,000	6	2,700	594,000
Marketing	5	2,800	616,000	5	2,300	616,000	6	2,800	616,000	6	2,800	616,000
Overhead	5	2,500	550,000	4	2,100	550,000	5	2,500	550,000	5	2,500	550,000
Profit	15	8,200	1,804,000	10	4,800	1,277,000	10	5,100	1,120,000	10	4,500	990,000
Total		55,000	12,100,000		48,200	12,817,000		51,000	11,200,000		45,100	9,922,000

CONDOMINIUM PROTOTYPE
(Double Incentives and Triple Incentive)

Incentive Development Costs	Density Bonus & Land			Public Interim Finance & Land			Density Bonus & Municipal Financing			Density Bonus/Municipal Finance/Government Land		
	\$	Unit Cost	Project Cost	\$	Unit Cost	Project Cost	\$	Unit Cost	Project Cost	\$	Unit Cost	Project Cost
Raw Land	-0-	-0-	-0-	-0-	-0-	-0-	10	4,600	1,232,000	-0-	-0-	-0-
Site Improvements	13	5,500	1,452,000	15	6,600	1,452,000	12	5,500	1,452,000	13	5,500	1,452,000
Construction	61	26,000	6,916,000	58	26,000	5,720,000	55	26,000	6,916,000	62	26,000	6,916,000
Interim Financing	6	2,600	682,000	5	2,200	484,000	5	2,400	633,000	5	2,100	559,000
Marketing	5	2,300	616,000	6	2,800	616,000	5	2,300	616,000	5	2,300	616,000
Overhead	5	2,100	550,000	6	2,500	550,000	4	2,100	550,000	5	2,100	550,000
Profit	10	4,300	1,135,000	10	4,500	981,000	10	4,800	1,267,000	10	4,200	1,117,000
Total		42,700	11,351,000		44,600	9,803,000		47,700	12,666,000		42,200	11,210,000

FIFTH YEAR HCD BLOCK GRANT DATA

The following tables summarize the basic City housing goals for one and three years by types of households and programs. The tables indicate the active approach taken by the City in utilizing available Federal and State housing programs. Program goals for City-originated actions, beyond the housing production program (Objective 6, Program 9), will be included when they become available. It is anticipated that additional local housing program goals, such as pre-occupancy inspection and freeway move-on housing, will be forthcoming within the next year. The monitoring procedures described in this Plan will enable a yearly status report to be made on goals and implementation progress, as specified by the revised State Housing Element Guidelines.

The progress made by the City in meeting housing goals is dependent on the availability of grant funds and on the City's own revenue capability. The adoption of any City housing program and goal is contingent on funding to implement each action.

The program goal figures represent adopted figures from the City's HCD Block Grant application for 1979-1980.

Exhibit 1
Survey of Housing Conditions, 1978

	Status and Condition Of All Housing Units	All Units		Number of Housing Units Owner		Renter	
		Total	Suitable for Rehabilitation	Total	Suitable For Rehabilitation	Total	Suitable For Rehabilitation
1.	Occupied Units - Total	1,137,400	308,111	484,532	91,899	652,868	216,212
	a. Substandard	73,738	66,643	25,729	25,006	48,009	41,637
	b. Standard	1,063,662	241,468	458,803	66,893	604,859	174,575
2.	Vacant Available Units - Total	20,495	7,158	4,372	1,307	16,123	5,851
	a. Substandard	4,999	2,807	1,014	790	3,985	2,017
	b. Standard	15,496	4,351	3,358	517	12,138	3,834
3.	Housing Stock Available - Total	1,157,895	315,269	488,904	93,206	668,991	222,063
4.	Standard Housing Stock Available - Total	1,079,158	245,819	462,161	67,410	616,997	178,409
5.	Vacancy Rate - Standard Units	1.44%	1.77%	.73%	.77%	1.97%	2.15%

SOURCE: Table I 1979-80 HOUSING ASSISTANCE PLAN. APPROVED BY CITY
COUNCIL FEBRUARY 1979.

* These numbers were derived by City staff and are more accurate than older numbers generated by the Southern California Assoc. of Government as part of their Areawide Housing Opportunity Plan.

EXHIBIT 2
ONE-YEAR HOUSING ASSISTANCE GOALS

Types and Sources of Housing Assistance	Number of Lower-Income Households To Be Assisted			
	Total	Elderly (1-2 persons) And Handicapped	Small Family (4 or less persons)	Large Family (5 or more persons)
A. Total Goals for Housing Assistance for Homeowners	700	450	170	80
1. New Construction for Homeowners	150	80	50	20
HUD Assisted Prgrms. Block Grant	0 150	0 80	0 50	0 20
2. Rehab. Assistance for Homeowners	550	370	120	60
Community Dev. Block Grants	500	340	110	50
HUD Assisted Prgrms. - Section 312	50	30	10	10
B. Total Goals for Housing Assistance for Renters	6,150	2,030	3,450	670
1. Assistance for Prosp. Homeowners	100	30	50	20
HUD Assisted Prgrms. - Urban Homestead	100	30	50	20
2. New Rental Units	4,600	920	3,110	570
HUD Assist. Prgrms. Block Grant	4,600 0	920 0	3,110 0	570 0
3. Rehab. of Ren. Units	1,050	680	290	80
Com. Dev. Block Grants	180	60	100	20
HUD Asst'd. Prgrms.	800	600	150	50
Subst. Rehab.	300	200	75	25
Sec. 8 Exist. with Moderate Rehab.	500	400	75	25
Section 312	70	20	40	10
4. Existing Rental Units	400	400	0	0
HUD Assisted Prgrms. With Repair	400 350	400 350	0 0	0 0
Without Repair	50	50	0	0

SOURCE: 1979-80 HOUSING ASSISTANCE PLAN. APPROVED BY CITY COUNCIL
FEBRUARY 1979, REVISED MAY 1979.

3758C/0156A

EXHIBIT 3
THREE-YEAR HOUSING ASSISTANCE GOALS

Number of Lower-Income Households To Be Assisted

Types and Sources of Housing Assistance	Total	Elderly (1-2 persons) And Handicapped	Small Family (4 or less persons)	Large Family (5 or more persons)
A. Total Goals for Housing Assistance for Homeowners	2,100	1,350	510	240
1. New Construction for Homeowners	450	250	150	50
HUD Assisted Prgrms. Block Grant	0 450	0 250	0 150	0 50
2. Rehab. Assistance for Homeowners	1,650	1,100	360	190
Community Dev. Block Grants	1,500	1,000	330	170
HUD Assisted Prgrms. - Section 312	150	100	30	20
B. Total Goals for Housing Assistance for Hmwns. by Percentage of Household Type	100%	64%	24%	11%
C. Total Goals for Housing Assistance for Renters	18,450	6,090	10,350	2,010
C. Total Goals for Housing Assistance for Renters	18,450	6,090	10,350	2,010
1. Assistance for Prosp. Hmwns.	300	90	150	60
HUD Assist. Prgrms. Urban Homestead	300	90	150	60
2. New Rental Units	13,500	2,760	9,130	1,610
HUD Asst'd. Prgrms. Block Grant	13,500 0	2,760 0	9,130 0	1,610 0

EXHIBIT 3
THREE-YEAR HOUSING ASSISTANCE GOALS (CONT'D.)

Types and Sources of Housing Assistance	Number of Lower-Income Households To Be Assisted			
	Total	Elderly (1-2 persons) And Handicapped	Small Family (4 or less persons)	Large Family (5 or more persons)
3. Rehab. of Ren. Units	3,150	2,040	870	240
Com. Dev. Block	540	180	300	60
Grants				
HUD Asst'd. Prgms.	2,400	1,800	450	150
Subs. Rehab.	900	600	225	75
Sec. 8				
Exist. w/ Moderate				
Rehabilitation	1,500	1,200	225	75
Section 312	210	60	120	30
4. Existing Ren. Units	1,500	1,200	200	100
HUD Asst'd. Prgms.	1,500	1,200	200	100
With Repair	1,300	1,050	150	80
Without Repair	200	150	30	20
D. Total Goals for Housing Assistance for Renters by Percentage of Household Type	100%	33%	56%	11%
E. Total Goals for HUD Asst'd. Rental Units by Percentage of Household Type	100%	33%	56%	11%

SOURCE: 1979-80 HOUSING ASSISTANCE PLAN. APPROVED BY CITY COUNCIL
FEBRUARY 1979.

3758C/0156A

EXHIBIT 4

City of Los Angeles Housing Assistance Provided as of December 1978

<u>HUD</u>	<u>TOTAL</u>	<u>E</u>	<u>F</u>	<u>LF</u>
SECTION 8 NEW	3,644	2,920	429	295
SECTION 8 REHAB	1,590	601	735	254
PUBLIC HSG NEW	959	0	410	549
PUBLIC HSG REHAB	64	0	64	0
SECTION 8 EXISTING (not counting Sec 23 set aside)	11,505	5,980	4,762	763
<u>CHFA</u>				
SECTION 8 NEW	1,113	884	72	157
SECTION 8 REHAB	0	0	0	0
SECTION 23 Set Aside (not to be included)	(7,105)	(2,167)	(4,462)	(476)
TOTAL	18,875	10,385	6,472	2,018
		55.0%	34.3%	10.7%

SOURCE: 1979-80 HOUSING ASSISTANCE PLAN. APPROVED BY CITY COUNCIL
2-79.

EXHIBIT 5
BLOCK GRANT HOUSING PROGRAMS

Detailed Unit Allocations

	<u>79-80 1 Yr. Goal</u>	<u>79-82 3 Yrs. Goal</u>
Homeowner		
New Construction		
Housing Production	150	450
Rehab. Assistance		
HOME	450	1,350
HELP	40	120
Handicap	10	30
Handyman	<u>500</u>	<u>1,500</u>
TOTAL	650	2,000
Renter		
New Construction		
Housing Production	0	0
Rehab. Assistance		
HOME	80	240
HELP	40	120
Handicap	20	60
Multifamily	<u>40</u>	<u>120</u>
TOTAL	180	540

SOURCE: 1979-80 HOUSING ASSISTANCE PLAN. APPROVED BY CITY COUNCIL
FEBRUARY 1979. REVISED MAY 1979.

3758C/0156A

Private Sector Advocates (cont'd)

Cleon Janos, Faith Watkins
L.A. Area Chamber of Commerce

Richard R. Wirth
Dir. of Gov. Aff.
Bldg. Ind. Assoc.

H. Randall Stoke
Latham and Watkins

Vivian J. Montgomery
Consolidated Realty Board

Mortgage and Finance Industry

Kyhle Semby, Exec. Vice Pres.
Bank of America

Herbert Tasker
Mason-McDuffie

Brian Lyttle
Transamerica Corp

Fred B. Morrison
Crocker Nat'l. Bank

J. Carter Witt,
Chairman
Single-Family
Loan Prod. Com.

Construction Industry

Ken Doty
Oren Realty & Development

Bob Mayer
Mayer Group

Sol Shye
J & D Carley Corp

Jack Shine
First Financial Group

Josef Noble
Noble & Associates

Joe Poon
Edward Properties

Dave Knadle
AMH Corporation

Lawrence Field
Richlar Partnership

Jack Spahn
E.L. Pearson &
Associates

Marcus Lowy
Lesny Development Co.

Irving Feinteck

Jona Goldrich
Goldrich & Kest

JP:js

9445B/0155A
9885B/0156A

Los Angeles County Regional Planning Department

The Planning Department wishes to extend its grateful appreciation to the following, Technical Review Roster, Housing Element Revision Community Task Force members for their constructive suggestions.

Community/Public Participants

Public Agencies

Bob Stone, Kevin Melia
Calif. Dept. of Housing
and Community Development

Lee Stark
L. A. County
Regional Planning Com.

Louise Manuel,
Clint Rosemond
SCAG

Saul Perlis
Calif. Dept. of Sav. & Loan

Kobey Horn
Calif. Dept. of Savings & Loan

Public Sector Advocates

Elaine Apter, Jose Bornn
League of Women Voters

Dennis Bovey
Young Israel Han. Prog.

Lois Moss, Dorothy Gilbert
Fair Housing Congress

Richard Paez
Legal Aid Foundation

Bob Meyers
Legal Aid Found.

Allen Emkin
Legal Aid Foundation

John McDermott/
Jonathan Lahrer-Graiwer
Western Ctr. on Law
and Poverty

Julian Kaiser
Com. Relations
Conf. of So.
California

Rev. Alvin Dortsch
Coalition for Econ. Surv.

Carlyle W. Hall, Jr.
Ctr. for Law in the
Public Interest

Jean S. Merl
L. A. Times

Terry Freedman
Jewish Legal Services

J. Walter Cobb
L.A. Co. Human Rel. Comm.

Bob Smith
L.A. Institute
for Cont. Art

James Bonar
L.A. Com. Design Ctr.

Mark Segal
Council for Econ. Dem.

Gene Gratz,
Attorney

Terri Lynch,
Attorney

Cary Lowe
Calif. Pub. Policy Ctr.

Max Mont
Jewish Labor Committee

Private Sector Advocates

Stevens W. Cunningham
and Associates

Mort Schwartz
Crown Engr. & Surv. Corp.

Reed Lawton
Public Affairs
Consultants

John Lannan
Calif. Sav. & Loan League

Donald Collier
Minority Contractors Assoc.
of Los Angeles

Mike O'Donnell
Assocs.

Evon Gottlieb
Coalition for Housing

Marvin Draper
Engr. Technology,
Inc.

CITY PLANNING COMMISSION

Daniel P. Garcia, President
J. S. Krueger, Vice-President
Fred E. Case
Steve Harrington
Suzette Neiman

CITY PLANNING DEPARTMENT

Calvin S. Hamilton, Director
Frank P. Lombardi, Executive Officer
Glenn F. Blossom, City Planning Officer

Citywide Planning and Development Division

Glenn O. Johnson, Division Head

Comprehensive Planning Section

Don Wayman, Senior City Planner

Housing Element Revision Task Force

Jon Perica, City Planner, Project Manager
Gurdon Miller, Planning Assistant
Terry M. Speth, Planning Assistant
Steve Crowther, City Planning Associate
Ted Mureau, Operations Research Analyst

Staff Support

Planning Department

Fred Ige, Urban Research Associate
Dan Mihaljevich, Urban Research Associate
Hollis Russo, City Planning Associate
Gilbert Castro, Cartographer
Qadir Mohiuddin, Student Worker
Jeanne Crain, Programmer
Kathy Nunez-Garcia, Programmer
Myrna E. Ang, Programmer

City Agencies

Community Development Department

Kathleen Connell
D. Craig Avery
Dave Perel
Nancy Minter
Steve Abrams
Steve McNichols
Bob Mullins

Community Redevelopment Agency

Don Cosgrove

80 01233

U.C. BERKELEY LIBRARIES



C123314349

INSTITUTE OF GOVERNMENTAL
STUDIES LIBRARY

JAN 17 2025

UNIVERSITY OF CALIFORNIA

